Delivering Value for People

Service Indicators in Local Authorities

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Foreword by Minister

In May 2000 a defined set of service indicators was introduced to local authority services by which improvements in service to the public could be assessed and tracked over time. Service indicators have become a key deliverable on the commitments given in Sustaining Progress towards improved customer service.

It was against this background that I established, in May 2003, the Customer Service Group comprised of Departmental and local authority representatives together with the IPA to update the existing indicators. The Group was also asked to review overall progress to date and to make recommendations to me to give added impetus to the initiative.

Given the importance of the services provided by local authorities within their communities, it is vital that the right indicators are chosen to be measured. This requirement underpinned the consultative approach adopted by the Customer Service Group in their work. The review draws on experience to date with the existing indicators and experience in other countries.

The Group has uncovered good practice in the use of indicators, both in Ireland and abroad. Areas for improvement and refinement and recommendations for action have been identified. I have accepted the recommendations and I call on all local authorities to play their part in implementing them and ensuring that we all get value for money. To further strengthen the recommendations I will soon announce an independent assessment panel to manage the process for external monitoring and verification of the indicators. The Local Government Management Services Board will report annually to me in this regard.

Local authorities have made great strides in recent years to improve their services as part of a wider modernisation programme. Initiatives such as One-Stop Shops and a focus on delivery of services at area level are all designed to bring services closer to the user. These practical steps have also been complemented by a huge commitment to delivering services on-line in areas such as motor tax, planning and so on. The revised indicators will assist in making these improvements more visible to all concerned.

It is now up to all of us involved in local government – elected members, management and staff - to take the process forward in a way which demonstrates local government's commitment to flexibility and excellence to the public we serve.

Martin Cullen TD
Minister for the Environment, Heritage and Local Government

Executive Summary

1. Background

The report details the findings and recommendations of the Customer Service Group on the operation of service indicators in local authorities. The Customer Service Group was established by the Minister for the Environment, Heritage and Local Government in May 2003 to examine a number of issues related to local government, including service indicators, corporate planning, customer action plans, customer surveys, and complaints and redress systems. This report represents the findings of the Group with regard to its first phase of work, namely reviewing the service indicators initiative, which originally commenced with the launch of twenty-one nationally applicable indicators in 2000. The context to this work is also very much influenced by the commitments in Sustaining Progress with regard to the management and measurement of performance through the use of indicators at local government level.

2. Methodology

The work of the Group was based on a number of factors, including: the operation of national service indicators to date and examples of good practice; questionnaires completed by county and city councils on their experience thus far with service indicators; discussions within the Group; data collated by the Department of the Environment, Heritage and Local Government on existing indicators; the output from a focus group of local authority officials drawn from a cross section of local authorities and service areas; research on service indicators carried out by the Institute of Public Administration; and good practice in the use of indicators in local government in other countries.

3. Findings

The Group found that some local authorities have used indicators and targets to track progress in implementing their corporate plan. It also found that an increasing number of local authorities are reporting on the existing service indicators in their annual reports, although a number do not, or do so in a way that may not be meaningful to the public.

A large number of local authorities have, however, proactively developed their own local indicators to reflect local priorities. In these cases, local authorities have taken the initiative to develop a set of local indicators, which are additional to the set of

national service indicators. Many local authorities are publishing information on indicators in a range of different reports, publications and through the media, as well as in their annual reports. Some local authorities also use indicators as part of a regular management review process to monitor performance in different service areas. The Group are of the view that the service indicator initiative has been welcomed by local authorities generally, albeit with a number of constructive suggestions for improvement and refinement of the process. At the same time, however, the Group found that a more proactive approach is needed from some local authorities.

4. Recommendations

The report makes a series of recommendations (see Section 9). In particular, it recommends that the list of existing service indicators be revised in the light of suggestions received for their improvement or refinement, and also recommends the addition of twenty-one new indicators to reflect the full range of local government services. The revised list of national service indicators is presented together with an accompanying methodology on how data is to be collected, in Appendices I and II of the report.

The recommendations also address other issues:

- Local authorities that have not already done so are encouraged to develop indicators for local priorities that may not be reflected in the national set of indicators.

- Information on indicators should be presented in each local authority's annual report for each year, alongside the same data for the two preceding years, which allows comparisons to be made. In addition, local authorities should provide any relevant contextual information, which may explain factors behind any trends (either positive or negative), as well as any action to be undertaken on the basis of the figures. Local authorities should also consider publishing information on indicators in other publications, websites, promotional material, and through the media. Local authorities may also wish to set targets for improvement based on both national service indicators and local indicators.

- The publication of indicators needs to be followed up by analysis – in this way, indicators can help local authorities to identify possible problems which may need to be addressed. Equally, indicators can be used to highlight excellence, which should be acknowledged. Furthermore, those local

authorities showing continually good performance could be asked to identify the factors behind this, with a view to disseminating good practice for the benefit of other local authorities.

- The report also recommends that the Local Government Management Services Board be given a role in external monitoring and verification of data on service indicators, which would involve checks in a random sample of local authorities as well as compiling and analysing a central data set of service indicators. The Board should also make an annual report on monitoring and verification to the Minister for the Environment, Heritage and Local Government.

1 OBJECTIVES OF THE REVIEW

In May 2003, a working group was established by the Minister for the Environment, Heritage and Local Government to look at the operation of customer service initiatives in local authorities (see Appendix IV for terms of reference).

The first task undertaken by the Customer Service Group was a review of national service indicators in local authorities. The mandate of the group is to review the existing set of national service indicators, suggest refinements that need to be made, and additional indicators that would be of use. The group was also asked to consider improved reporting of performance against the indicators by local authorities. This document reports on that review.

The use of indicators in the Irish local government system is not new. The practice has grown apace since the publication of the Better Local Government Reform Programme in 1996 (see Appendix VI). The purpose of this review was to take development to date into consideration and to recommend steps for the advancement of the use of indicators.

A number of sources were used to achieve this objective.

Questionnaires were circulated to all 34 county and city councils on the operation of national service indicators in their local authority. A total of 15 completed questionnaires were returned, giving a response rate of 44%. Questions were posed concerning the use of standards or targets, publication of results of indicators, use of locally-determined indicators, and possible amendments to the existing set of indicators, as well as suggestions for new indicators or for improving the service indicator initiative. Comments and suggestions were also sought from various sections within the Department of the Environment, Heritage and Local Government on the existing national service indicators and possible new indicators.

The review also drew on existing published research on service indicators and performance measurement in local government in Ireland carried out by the Institute of Public Administration and others. Experience in other countries was also reviewed.

2 LOCAL AUTHORITIES' VIEWS AND EXPERIENCES OF SERVICE INDICATORS

A total of 6 of the 15 local authorities responding to the questionnaire reported that they published comparisons of the current year's results with those from previous years. No local authority indicated that it published its results in comparison to the results of other similar local authorities, although some local authorities noted that such material was available in the context of certain services (such as data on the use of the library service nationally). It was noted that there was no published omnibus or database of results for all local authorities with which local authorities could compare themselves. Another local authority questioned whether comparisons with other local authorities were valid (for example, what is the definition of a 'similar' local authority?). One local authority acknowledged that it did engage in internal comparisons with other local authorities upon receipt of the annual reports, but that these comparisons were not published.

In addition to reporting on indicators in their annual reports, results from the questionnaires show that different local authorities are also publishing and disseminating information on their performance against national service indicators and locally-determined indicators through other various means, including:

- local authority departmental business plans
- annual operational plans
- customer action plans
- annual financial statements
- local authority websites and intranets
- in-house publications and newsletters
- flyers and newsletters circulated in the local area
- information and press releases supplied to the local media
- public display / notices at local authority offices / counters etc.
- separate leaflets and brochures on individual local authority services available at local authority offices / counters etc.

Some also noted that their performance was also being reported on in documentation compiled by national agencies such as the EPA.

One local authority provides quarterly reports based on indicators to elected members, and then makes these reports publicly available and publishes them on its website. Other local authorities also indicated that they supply reports on indicators to elected members.

Some local authorities also prepare quarterly reports on the implementation of annual operational plans for their senior management group and/or the relevant Strategic Policy Committee (SPC) and Corporate Policy Group (CPG). Others have established a monitoring and review process of progress made in service improvement, involving input from the management team, individual departments, elected members, the SPCs and CPG, the partnership committee, and customer surveys.

Local Indicators and Service Standards

A number of local authorities (including Sligo, Clare, Galway City, Galway County, Cork City, Dún Laoghaire-Rathdown, Limerick County, Wicklow, Roscommon, Waterford County, Laois, Louth, Kildare, Donegal, Leitrim and South Dublin) have also developed their own set of local indicators for individual services, to supplement those published by central government in 2000, either as part of their corporate or business planning process, their customer action plan, or on an ad hoc basis within individual departments. Other local authorities, such as North Tipperary, have established targets for each forthcoming year for each of the national service indicators, against which they seek to benchmark their performance.

The development of local indicators has in many cases been designed to supplement the list of national service indicators, particularly where objectives in the corporate plan or annual operational/business plans were not reflected in the list of national service indicators. Thus, in many cases local authorities designed their own local indicators to link with priorities identified in strategic planning documents. This is entirely in line with good practice, as indicators are not intended to operate in a vacuum, but rather be linked to key priorities for the local authority.

Many of the local indicators used by local authorities would also appear to be linked to commitments and targets set out in statutory local authority plans, such as the waste management plan, non-national roads plan, traveller accommodation plan, or the arts plan. In some service areas, such as roads and water, many local targets also relate to progress being made on large local infrastructure projects. The commitments set out in the 10-year County/City Development Board (CDB) Strategy for Economic, Social and Cultural Development also appeared to be a spur for many local authorities to adopt targets related to their activities under the strategy.

The work done by the Local Government Audit Service and other bodies such as the Housing Unit, which supports the management of the public and social housing sector, would also appear to have raised awareness amongst local authorities on the rationale for local indicators in different service areas.

Putting Indicators to Use

A limited number of local authorities also indicated that they made use of indicators to monitor performance against targets. A number noted that national service indicators and locally-determined indicators are used for the purposes of reporting for monthly internal service review meetings. Others stated that national service indicators were used as a benchmark to improve efficiency generally and to review performance against targets.

One local authority remarked that the use of charters or mini-charters explaining the service and standards that could be expected would encourage feedback from the public.

Views on the Existing Set of Indicators

A number of local authorities expressed the view that the service indicators initiative was a positive development, and that existing national service indicators were useful and had been used as a tool to assess performance. However, many also felt that the indicators could be refined somewhat to make them more relevant and citizen-friendly. It was also acknowledged that the use of indicators was a relatively new phenomenon in local government in Ireland.

It was also felt that there was relatively low awareness of national service indicators amongst the public in general. While local authorities have their part to play in disseminating information, one suggestion was a national promotional campaign to inform the public of the value of the information available, and how the information should be used.

A number of local authorities emphasised that it was important that there be consistency in the way in which data on indicators are collected. Clear direction/ guidelines should be given to local authorities on how they should calculate results. It was also felt that some of the data can be difficult to source.

Quite a number of local authorities responding to the questionnaire made constructive comments and suggestions for either amendments to the existing set of indicators, or new indicators that could be reported on. Suggestions for changes were also received from different sections of the Department of the Environment, Heritage and Local Government.

A number of local authorities noted that some of the indicators may not be appropriate to all local authorities. For example, some local authorities are not involved in collection of motor tax.

A number of local authorities also mentioned the possibility of using customer satisfaction rates, sourced from customer surveys, as national service indicators. This would be very appropriate for measuring performance against local indicators. However, for such indicators to be comparable at national level, it would require the exact same question, with the exact same response options, to be asked across all local authority customer surveys in the country.

One local authority commented that it is valid to publish information on key support services (such as human resources, finance, IT and corporate services) as the 'frontline' service providers are greatly reliant on the provision of internal services by these departments.

Where possible, the suggestions for refinement of existing indicators and new indicators have been incorporated into the revised list of national service indicators (attached as Appendix I).

However, it has not been possible to include all of the suggestions in this revised list, for the following reasons:

- some of the suggestions concern targets or indicators that relate to local plans, strategies or projects, but may not be readily applicable to other local authorities – these may be more appropriate as local indicators rather than national service indicators;

- some of the suggestions concern data which, while it may be useful for management and/or central government, and an important source of data for operational decision making, is not terribly meaningful for the public – while it may be entirely valid, for example, for local authorities to collect and use such information as part of its business planning process, it may hold little interest for the citizen;

- use of a large number of indicators, set at national level, risks swamping citizens with 'information overload', whereas the international trend (see below) is towards a limited set of indicators that are focussed on priority areas.

As noted below in this report, many local authorities have already begun to report on their performance in their 2002 annual reports vis-à-vis the existing set of national service indicators. The number of local authorities reporting on indicators in their 2002 annual reports would appear to have increased.

Table 1 provides a summary of the findings concerning the operation of national service indicators to date in Irish local government, as well as views on the service indicator initiative reported from local authorities.

Table 1 – Summary of Progress to Date in Ireland and Local Authority Views on National Service Indicators

- Some local authorities have used indicators and targets to track progress in implementing their corporate plans.
- An increasing number of local authorities are now reporting on national service indicators in their annual reports, although a significant number still do not.
- For many local authorities, reporting only relates to the year in question, without any reference to the previous year or set targets to allow for benchmarking, leaving the data reported rather meaningless to all but the most well-informed reader – a minority of local authorities allow for the comparison of results with either the previous year or targets/standards set in advance.
- Many local authorities are publishing information on indicators in a range of other reports and media, as well as in their annual report, for the benefit of the public, elected members, management and staff.
- A large number of local authorities have proactively developed their own local indicators to reflect local priorities.
- A limited number of local authorities report that they use data on indicators as part of a regular management review process to monitor performance in different service areas.
- Responses to questionnaires indicate that the service indicators initiative has been largely welcomed by local authorities, albeit with a number of constructive suggestions for improvement and refinement.

3 REPORTING ON INDICATORS IN ANNUAL REPORTS

Of the 32 annual reports for 2001 received by the Department from county and city councils, 20 (or 62.5%) recorded information on the performance of the local authority vis-à-vis the national service indicators, although in some of these cases, the information was not complete. For example, in many cases, the information on planning indicators was not broken down into the detail required (a number of local authorities have noted that the i-Plan system did not at that stage provide statistics required for the existing indicator on planning applications, appeals and results of appeals). A number of the environmental indicators and revenue collection indicators also tended to go unreported.

Thus, the majority of local authorities are complying with the requirement to publish data on the list of national service indicators in their annual reports – albeit that sometimes the data is not fully complete. Some do so by way of a specific section or appendix in the annual report on national service indicators, while other local authorities report on service indicators in the section relevant to the particular service in question. Examples of annual reports where information on national service indicators was published in a readable and accessible format included, among others, the annual reports for 2001 for Louth and Donegal.

However, many local authorities are simply publishing data for the year in question, without comparative data either over time, against pre-set standards, or in comparison with similar local authorities.

4 OTHER RESEARCH

CPMR Review of the Local Government Modernisation Programme

A 2003 review of the local government modernisation programme carried out by the Institute of Public Administration for the Committee for Public Management Research (CPMR) found that some local corporate plans did contain indicators of progress, and others did not. It was also reported that a number of local authorities had made a significant attempt to develop concrete outcomes and indicators related to their corporate objectives and strategies. One example given is that used by Kildare in its corporate plan for 2001-2004, which, after identifying strategic issues facing the local authority over the period of the plan, identified objectives, strategies and measures for achieving those objectives, and performance measurements that would be used to monitor and review progress in each area (see example in Figure 1 below relating to the local authority's activities in the environment field):

Figure 1 – Sample Development of Indicators in a Local Authority Corporate Plan

AIM FOR ENVIRONMENTAL SECTOR: **To secure the protection, preservation and improvement of the natural and man-made environment**

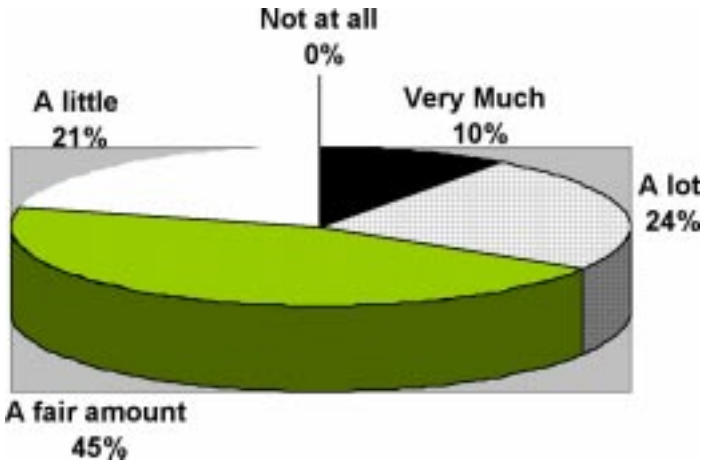
STRATEGIC ISSUE Key issue facing the Council over the next four years	**1. Disposal of solid waste**	**2. Management of waste service**	**3. Air Pollution**	**4. Water Pollution**	**5. Litter**	**6. Protection of Natural Environment**
OBJECTIVE What we want to achieve by 2004	***To have in place a solid waste disposal facility by 2004 that will service the County's needs for at least the next 20 years***	***To reduce by 2009 biodegradable municipal waste going to landfill by 50%. To reduce by 2013 the level of household waste going to landfill by 50%***	***To ensure full compliance with guidelines on air quality***	***To improve the quality of water in rivers and streams***	***To implement the Litter Management Plan***	***To protect the natural environment***
STRATAGIES How we are going to achieve our objectives by 2004	Complete selection and consultation process for new landfill site by end of 2001 Construction and commencement of operation based on best practice and value for money Regulate use of landfill for residual waste	Implement Waste Management Plan Establish separation at source for household waste Support waste recycling initiatives Comply with waste directives Provide for a range of recycling facilities Implement Hazardous Waste Plan	Operation of air quality monitoring stations Extend number and frequency of monitoring and reporting	Update status report on water quality Operate water sampling, testing and monitoring programme Prepare/implement Agricultural Pollution Prevention Plan Ensure emergency response in place to respond to pollution incidents Review licences for discharges to water courses Implementation of directives Support implementation of water catchment plans	Establish litter free zones in major centres of population Promote tidy towns, district competitions Provide effective daily street sweeping in towns (including the emptying of bins) Establish efficient system of enforcement Continue environmental newsletter, campaigns and projects Eliminate derelict sites	Prepare audit of priority sites for protection Incorporate and implement policy through Development Plan Complete baseline survey of archaeological, natural amenities and habitat sites e.g. Curragh, Fen, Canals, Bogs, Liffey Valley
PERFORMANCE MEASUREMENTS How we will know that we have achieved our objectives	Progress in provision of landfill facility Cost per ton for disposal % of waste of landfill	Quantity of waste arising Level of overall waste for landfill % of waste reduction, re-used and recycled Net cost of waste service % of costs recovered Extent and level of use of bring facilities	Number of breaches of limits Level of inspections and prosecutions Number and frequency of monitoring	Level of improvement in water quality Number of breaches of standards Number of sampling points and frequency Number of discharge licences reviewed Level of inspection and prosecution % of waterways polluted	Number of litter free zones Number of litter wardens Number of fines and prosecutions Level of participation in anti-litter programmes Frequency of street sweeping and refuse collection Progress re action on derelict sites	Progress in completion of environmental audit Number and funding of projects

The same review suggested that annual reports should present a balanced review of progress, indicating where progress has not been made, as well as highlighting achievements. It also recommended that 'comparative data should be used, to enable judgements on performance to be put in context. This may be comparing changes over time, against set standards, or other benchmarks'. This has already begun for some local authority annual reports in 2001, where performance was compared to that achieved in 2000 (see 4 above). In fact, the review noted that even earlier, a number of local authorities (such as Kerry and Westmeath) were already producing some comparative data against previous years in their 2000 annual reports.

The CPMR review also found that most local authority customer action plans contained published service standards, albeit of varying specificity, and noted that the level of openness and accountability, in terms of contact details and directories of service, were an example of good practice and well in advance of comparable plans at central government level. A number of local authorities expressed service standards in the form of a charter. There is also considerable evidence of local authorities providing complaints and appeals mechanisms and making use of customer surveys and customer panels.

The review also surveyed county and city managers on their use of national service indicators to monitor the standard of services. The use of such indicators was still regarded by many managers as in its infancy, and a number reported that procedures for gathering information in relation to indicators are still being developed. The results are presented in Figure 2 below:

Figure 2 - Views of county/ city managers as to whether service indicators are actively used to monitor the local authority's delivery of quality services (2002)



The CPMR review concludes that while it may be too early to assess the contribution of service indicators to the improvement in quality services in local government, there is scope for more use of comparative benchmarking of the performance of local authorities, either over time, against pre-determined standards, or with selected groups of other local authorities. The review also concluded that 'there is little evidence of councillors and the public judging how their council is performing in a comparative context, as intended when service indicators were introduced'.

The review emphasised that 'there is a need to develop further the performance indicators being used to assess progress'. The Partnership agreement Sustaining Progress has also emphasised the importance of both quantitative and qualitative indicators.

QCS Mark Report

A proposal for a *Quality Customer Service Mark* or QCS Mark for the Irish public service was made by the Committee for Public Management Research in 2001 to recognise excellence in customer service. The initiative is aimed at all public service organisations, including local authorities. Under the proposal, each organisation would be given a score out of 10 for proven achievement under criteria such as quality standards, timeliness and courtesy, dealing with complaints, consultation and evaluation, and coordination of service delivery.

In the proposal for a QCS Mark, the importance of designing and developing customer service based on customer needs and expectations, setting documented service standards and achieving customer satisfaction, and evaluation and continuous improvement to customer service are highlighted.

Indeed, one finding noted in the context of the proposed QCS Mark and customer service in the public sector in Ireland was that 'there is evidence of considerable innovation at local rather than central government level', noting that 'central departments need to be open to bottom-up as well as top-down communication of best practice in QCS'.

5 EXPERIENCES ABROAD

It is always useful to get an international perspective on developments that are common to local authorities in different countries. Performance measurement within local government is well developed in a number of countries, and these experiences can provide valuable insights on good practice and lessons learned.

Some of this experience can be usefully related to Ireland, while also allowing for the nature of the Irish local government system.

In this section, we supplement the observations on the existing set of Irish indicators above, with a number of salient points related to how indicators have worked in local government in other countries. Further details on the operation of local government indicators in the countries in question can be found in Appendix VII.

Since 1995, local authorities in ***Britain*** have been statutorily obliged to publish information on indicators. The process of local government reporting on indicators in Britain has been very much centrally-driven, and has been a political priority of both Conservative and Labour governments.

The Labour Government which came to power in 1997 effectively continued the system of obliging local authorities to publish indicators under a system to improve local government services known as *Best Value. Best Value* involves the adoption by local authorities of annual Best Value Performance Plans which set service targets for improvement, and a rolling programme of service-specific and cross-cutting reviews which, amongst other things, involve comparing the local authority's performance with that of similar authorities by reference to national and local indicators.

A comprehensive evaluation of a *Best Value* pilot programme, completed in 2001, concluded that some of the significant changes that had occurred included 'service improvements, more demanding service quality targets, a slightly better performance in relation to resident and user satisfaction … and some examples of cost savings'. The evaluation also noted that the process typically sparked an improvement in service standards, which would involve both one-off short-term improvements, and longer-term and more fundamental changes. However, it would also appear that the process is rather resource intensive in terms of staff time and has been criticised as bureaucratic.

Since 2000, Best Value Performance Indicators (BVPIs) have been established at national level covering key local government services. In addition to reporting on these mandatory indicators, local authorities are also encouraged to develop their own local indicators to reflect local priorities and local circumstances. In recent years, there has been a gradual reduction in the number of both nationally-determined and locally-based indicators used, so that a greater focus can be placed on priorities.

More recently, the system of utilising indicators on their own has given way to a new system known as *Comprehensive Performance Assessment* (or CPA), the first results of which were published for certain English local authorities in late 2002. Under this arrangement, various mechanisms such as external peer assessment, self-assessment, Audit Commission inspections, and government assessment of published plans of the local authority, are combined with the use of indicators to produce a consolidated picture of the overall performance of each local authority.

Based on the scores attained for key local authority services, a score for overall service provision, and a score for the local authority's ability to improve, each council is placed in one of five categories (Excellent, Good, Fair, Weak, or Poor). Those councils which were ranked as 'excellent' (14.6% of the total) earn the right to extra freedoms from central government.

The first results under the CPA system were unveiled for English County Councils and single tier local authorities (metropolitian and unitary as well as London Boroughs) in late 2002. However, many authorities disputed the weightings given to different parts of the assessment, found the process lacking in transparency, and believed the use of labels like 'poor' or 'weak' were oversimplistic as a summary of a local authority's overall performance, and were likely to damage morale in the local authorities concerned.

In the ***United States,*** a number of projects have developed to facilitate comparisons between the quality of services delivered by different local authorities. These included the *ICMA (International City Management Association) Comparative Performance Measurement Consortium, the Innovations Groups Project*, and the *North Carolina Local Government Performance Measurement Project*. Pilot projects are underway for local authorities of between 50,000 to 100,000 people in California and Texas, and between 10,000 and 50,000 in New York state.

The ICMA project involved a number of US cities with a population above 200,000 people, and was designed to allow participating cities compare performance and share information on management practices that have led to positive outcomes in four service areas. Requests are sent to high performing cities with a view to those cities identifying local practices that might account for their high level of performance. The project also spent a lot of time drawing up uniform definitions so as to produce comparable data from different local authorities.

In a survey of all US municipalities with populations above 25,000, it was reported that the main motivating factor in using performance indicators for local authorities

was a local objective of making better management decisions. This was followed by citizen demands for greater accountability, and pressure from elected members. Of far less importance as a motivating factor for US local authorities was pressure from business or higher levels of government.

Of those municipalities that use performance measurement for all services, over 70% felt that their use of indicators has led to moderate or substantial improvements in service quality, while 46% reported that they have contributed to moderate or substantial reductions in the cost of local authority activities.

A separate survey of local authorities of a population of above 50,000 people showed that 57% of local authorities felt that performance measurement had enabled managers to better identify managerial or operational problems, while in others, indicators were not used as a problem identifier, with one local authority admitting that indicators were 'mainly used as a window dressing tool to demonstrate good results, not as a proactive problem identifier'. However, the majority of local authorities did not use performance measurement as a basis for resource decision-making in areas such as budgets, organisational restructuring or redeployment of staff. The following comment received from one American local authority sums up the dilemma concerning the use of indicators as a basis for decisions on financing:

> If a department is very effective and has great measure results, do you reward them financially or punish them by reducing their budget? Do you give them more money when they are already delivering excellent outcomes and meeting goals? If a department has poor measure results, does it make sense to reduce their budget with the likely results that services will further deteriorate? Or do you reward them for doing poor work by giving them more money?

Another feature in the US seems to have been high expectations amongst local authorities as to what indicators could deliver for their local authority, including significant and automatic improvements in services, making wiser budget decisions, strengthened communication with the politicians and the public – in most cases however, the actual results fell somewhat short of these expectations.

A common feature in many continental European countries, and indeed in the US, seems to be that many initiatives to improve service delivery seem to come from local authorities themselves, rather than being driven by central government. The number of indicators would appear to be far fewer than in the UK for instance, and the inspection regime would appear to be far 'lighter'.

In the ***Netherlands,*** a number of local authorities have been making extensive use of indicators. One of the most frequently cited is Tilburg, with one estimate that some 95% of its budget is accompanied by performance figures. Other Dutch municipalities such as Delft and Groningen have also introduced similar reforms.

The Tilburg approach, originally introduced in 1985, involved reorganisation of local government structures, decentralisation of responsibilities to service departments, and regular management reporting and budget reporting. Departmental budgets incorporated business plans, which in turn contained performance objectives, the actions needed to meet those objectives, and the required income and expenditure. Performance data was presented for almost every task the local authority had to fulfil.

During the early 1990s, central government in the Netherlands encouraged municipalities to adopt a number of businesslike tools, including output budgeting, under which budget figures are linked to performance indicators. However, the take-up and use of indicators has not been universal across the Netherlands.

The approach adopted in Tilburg was influential in a number of other countries, and was adopted, with some alterations, by a number of local authorities in ***Germany***. During the 1990s, a number of German municipalities adopted new management approaches, including output-oriented budgets and a comprehensive reporting system based on performance indicators. A common set of indicators which would allow German local authorities to benchmark their performance against each other was developed during a project sponsored by the Bertelsmann Foundation.

Adoption of such techniques was entirely voluntary and up to the initiative of local authorities themselves – there was no pressure from the state or federal level to introduce the new reforms. If anything, local authorities led the way in Germany, pioneering new techniques of public management that set a trend for the more modest reforms adopted by government at state and federal level. This was also the case in the Netherlands, where local authorities were reported to have achieved better results in performance measurement than central government.

In ***Denmark***, a number of performance improvement initiatives have also been undertaken. The OECD reports that many of the Danish initiatives to improve performance are developed at local level, without central monitoring or control. These have included management by objectives and results, the establishment of service standards, and the use of customer satisfaction surveys, rather than formal performance indicators.

However, central government in Denmark does publish a report entitled *Local Authority Key Data*, containing figures on population, housing, labour market conditions, taxation, economy, childcare, education and culture, care for the elderly, other local authority social expenditure, and the environment – the figures are presented with the average figures for municipalities in their region and for all municipalities. However, differences in the extent and quality of services reflect the varying needs, wishes and demands of local communities, given the responsibility of Danish municipalities for levying local taxes to pay for the bulk of local services. According to the OECD, other nation-wide reports on service standards between local authorities tend to be used 'as a benchmark and a starting point for local decisions, rather than a judgement on relative levels of performance'.

In a commentary on the take-up of the European Common Assessment Framework or CAF (see below), one observation has been that 'at least on the continent there seems to be wide agreement that public administration is not just about 'delivering results' but also about nurturing values such as staff diversity, ethical behaviour, and social capital'.

The European ***Common Assessment Framework*** (CAF) is an EU-driven initiative which provides an opportunity for benchmarking between public-sector organisations across the EU. The CAF is based on assigning scores to public bodies on the basis of a number of criteria, such as leadership, process and change management, customer/ citizen-oriented results, impact on society, and key performance results.

The CAF also provides examples of indicators that organisations may use to assist in their self-assessment. EU Member States have begun promoting the use of the CAF across or in parts of their public sector. Given their key role in service delivery, it is not surprising to find that local authorities have been the largest group of users of CAF thus far.

6 GOOD PRACTICE

Based both on the lessons learned from the feedback on the use of the existing set of indicators in Ireland, and on the examination of experience in using indicators in local government in other countries, we can begin to identify good practice in relation to a number of aspects on the use of indicators in local government.

Designing Indicators

The UK Audit Commission suggests the following elements contribute towards the development of useful and effective indicators:

Table 2 – Summary of Good Practice

- *Relevance* – Indicators should be related to the strategic goals and objectives of the local authority, and be relevant to the user of the service (for example, waiting times).

- *Clear definition* – Indicators should be clearly defined so as to ensure consistency across different local authorities and fair comparison. While use of existing definitions is essential, in others it may be necessary to clarify what is meant by phrases such as 'routine repairs' as they apply to the housing function. In some areas, methodology sheets may be necessary.

- *Easy to understand* – While definitions may have to use technical terminology, indicators themselves should be described in such a way that they can be easily understood by the public. Jargon should be avoided where possible.

- *Comparable* – It should be possible to compare indicators either over time or between local authorities, or both. It is often easier to compare results over time (usually a number of years) within the same local authority. Comparisons between local authorities are more problematic and difficult to achieve because of the need for agreed and consistent definitions (see above) and because of different operating environments (see under pitfalls below). It may be necessary to supply information on the context in which comparison is taking place.

- *Verifiable* – Data should be collected and calculated in such a way that it can be verified.

- *Cost effective* – Where possible, indicators should be based on information already available and existing data collection activities, and if new indicators are necessary, they should be designed so as to minimise the burden on local authorities.

- *Unambiguous* – Indicators should clearly show whether trends in data show either an improvement or a deterioration in services, rather than being open to interpretation. Improvements in the indicator should generally only be possible where there is an improvement in the service. It must be borne in mind that it is possible that a reported improvement in an indicator may be the result of other factors. For example, the number of complaints could be used as an indicator of the quality of a service – an

increasing number of complaints could be interpreted to indicate that a problem is developing in a certain area, a low number of complaints could indicate that users are largely happy with the service. However, a low number of complaints might have more to do with the system for processing complaints than the quality or otherwise of the service - for example, it could also be the case that users have given up complaining due to bad experience with handling complaints.

- *Attributable* – Service managers should be able to influence the performance measured by the indicator. Service measurement systems are usually introduced to accompany greater control for senior managers over financial and human resources. If the indicator is not at least partially within the control of a local authority (or a particular section within a local authority), frustration is likely to set in. Where accountability is blurred, it can lead to a 'blame game'.

- *Responsive* – Indicators should be responsive to change. Indicators where changes in performance are likely to be too small to register will be of limited use.

- *Avoiding perverse indicators* – Care must be taken to ensure that indicators do not allow problems to be shifted to areas that are not measured, or that disproportionate resources are allocated to those that are measured. For example, measuring the average waiting time for calls to be answered has in some organisations led to operators taking less time ensuring that callers are correctly put through, leading to an increase in misdirected calls.

- *Allowing innovation* – Indicators should not prevent organisations from developing alternative and innovative methods of improving service delivery. Indicators focussed on outcomes rather than inputs are more likely to provide flexibility to local authorities to develop innovative processes.

- *Statistically valid* – Indicators which are based on small numbers of cases may show extreme fluctuations. A large sample size may show more valid trends. For example, the number of deaths due to fire could be very small in some areas, and subject to random fluctuations – in this case a 5-year moving average might provide a more accurate reflection of trends.

- *Timely* – Where possible, indicators should be based on data that is available within a reasonable timeframe.

The Audit Commission emphasises that 'in practice, it can be difficult to devise a performance indicator that fulfils all the criteria precisely, and trade-offs will often be necessary. Many performance indicators are likely to score less well in one or two criteria'. National indicators are likely to require clear definition, be comparable, verifiable, unambiguous, and statistically valid. Indicators that are identified by individual local authorities (local indicators) should ideally be relevant to the organisation's goals and easy to understand. In these cases, it will be more important to compare over time rather than comparing results with other local authorities.

Local Priorities and Corporate Planning

Indicators should also be related to a local authority's own priorities, and ideally where possible those identified in the local authority's corporate plan or strategy statement. They may also be usefully linked to service plans or other local authority strategies, such as the waste management plan, the development plan, the county/city strategy for economic, social and cultural development, the arts plan, and so on. For this reason, the UK system of Best Value obliges local authorities to report on national indicators, but also obliges local authorities to develop their own local indicators to reflect their own goals and priorities, as well as key public concerns – in many cases these are designed to be more intelligible to local people than national-level indicators. This is also a practice that a number of Irish local authorities have taken up on their own initiative.

Presentation and Dissemination

All stakeholders have a valid interest in the performance of the local authority. Users of performance information might include:

- service users
- the general public and the media
- elected members
- central government
- auditors
- managers at all levels in the organisation
- staff
- social partners.

Clearly, the current set of national service indicators in Ireland, published in 2000, can potentially be used by all of these groups.

In the UK, data on both local authority-wide and service-specific indicators are usually provided to senior management and political executive members – at least twice a year and in many cases on a quarterly basis to senior managers and elected members involved in the service in question. In Germany, the local authorities participating in the Bertelsmann Foundation project also reported on their indicators every quarter to management, with an annual report to elected members, the public and the media, with comments on individual services and an overview of planned and implemented improvements.

Data should be presented in a clear way that is equally understandable to the public, members, management and staff. Advice to UK local authorities is that it should be presented with the previous year's performance in the local authority, and the comparative performance of similar authorities. This advice also states that commentary on performance should also provide any explanation of the causes of variation observed which might provide useful additional information – if results are not on target, what can be done to rectify the situation. In the US, many local authorities include information on indicators with the publication of budgets, regular reports to outside bodies and on their website.

Follow-Up

Indicators should be focussed on actions for follow-up. The UK Audit Commission comments: 'A question that should be applied to every indicator is "What action could the recipient of the information take on the basis of this information?" Indicators where the answer to this question is that the recipient would never take action on the basis of the information should not be used for measuring performance. Contextual information (for example local population data) should not be confused with performance indicators, but may be needed to help users interpret the information'.

Number of Indicators

Good practice would suggest that there is a danger with having too many indicators. Firstly, it can lead to 'information overload', with reports containing so much data that the message can be lost and readers can become swamped with information. In the UK for example, the trend has been to reduce the overall number of national indicators that local authorities must report on. In addition, the cost of collecting the data should be borne in mind. On the other hand, there is also a danger of having too few indicators. The danger here is that there may be a temptation to divert resources into those areas that are measured, to the neglect of those that are not, and this may give a misleading picture.

Management Support

Securing management commitment to the use of indicators is essential. If managers are seen to regularly use the data provided to give constructive feedback, celebrating success, and also targeting areas for improvement, this can strengthen the credibility of the system. Giving no feedback at all or exclusively negative feedback may either lead to apathy or may demotivate or frustrate staff. The UK experience identified the active involvement and enthusiasm of the chief executive as a common feature among many local authorities that had started making regular use of the information provided by indicators, and in some cases elected members or senior managers were actively involved in promoting use.

It has also been the case in the UK that corporate services have generally had a more proactive task in ensuring that reporting on indicators is consistent across different sections of the local authority, and also in providing support where necessary. One commentary on *Best Value* reviews in UK local authorities noted that many authorities started with a decentralised approach, but that this position often reversed as corporate affairs started to play a greater role in ensuring that reviews stayed 'on track'.

An Inclusive Approach

Good practice would also suggest that various actors should be involved in developing indicators – this might particularly apply in the setting of local indicators to reflect local priorities. It is important that elected members feel ownership of indicators. It may also be possible to explore ways of involving citizens in the development of indicators. In the US, the incorporation of customer satisfaction indicators into performance measurement is increasingly prevalent, and one authority on performance measurement notes that 'for some programs, such as parks, recreation, and library services, customer satisfaction can be a primary outcome', while for other public services it may not be the main outcome sought. Certainly, those issues identified by the public as priorities through customer surveys could be usefully subject to reporting through the setting of local indicators for those subjects.

Good practice would also suggest that involving middle and lower grade staff in the development of indicators is required. The experience in both Germany and the Netherlands would seem to indicate that public service reform initiatives were aimed at senior local authority management, but failed to involve or engage with others in the organisation, leading to little interest in such reforms at these levels. US

local authorities too, have found it difficult to secure staff support for the use of indicators.

In the UK however, elected members, employees at various levels, and service users have become increasingly involved in the development of local indicators. In the Irish context, the Corporate Policy Group (CPG) might be a useful forum for involving elected members in the development of local indicators.

Refining Indicators

Evidence abroad would also suggest that indicators may have to be refined where necessary. This has proved necessary in the UK and Germany, where original indicators have had to be adapted when political priorities have changed, where demand for services have changed, or where changes to indicators have had to be made when those originally chosen were found to be flawed. At the same time however, amending indicators very frequently means that long-term trends and comparisons are lost.

Realistic Expectations and Making Use of Indicators

Lastly, while it is important that local authorities set ambitious targets for achievement (i.e. that they provide a 'stretch'), good practice would also indicate that users of indicators need to have realistic expectations of what indicators can offer. This seems to have caused problems in the United States, where one commentator makes the following observation: 'Many major initiatives have simply been hyped beyond their ability to deliver commensurate results. Even good systems delivering *good* results are disappointing when expectations are overblown and observers anticipate *fabulous* results'.

Indicators do not provide instant solutions. Rather they may point senior managers to where problems may lie, and therefore will often require further investigation locally. One Irish contribution to performance measurement in local government states that 'the value of the information provided by performance indicators is in the signals they provide about relative performance or the trends in performance'. They are, according to the Local Government Audit Service, 'intended to raise questions and to provoke a response, rather than to provide answers'. The collection of data on indicators is the start of a process, not the end. They should lead to a series of questions, most of them starting with 'Why?'.

Similarly, another commentator on indicators in Irish local government argues that 'it is important to recognise that performance measurement is not without its limitations. Performance indicators in local government can help focus attention on particular issues but rarely of themselves provide sufficient information as to why things happened as they did. More often than not they point the way to further inquiry rather than providing direct answers'. They can also assist in the dissemination of good practice in service provision, especially where local authorities can learn lessons from other authorities that show consistently good performance vis-à-vis indicators.

Equally, according to the UK Audit Commission, the British experience also highlights that 'all users of indicators should remember that the indicators do not provide answers to why differences exist but raise questions and suggest where problems may exist (acting as a 'can-opener') … It is essential that users and producers of performance indicators share the same expectations of what a performance indicator can be employed for, to avoid misuse of an indicator'.

The potential benefits of using indicators, when properly followed up with further action, are summarised in Table 3 below.

Table 3 – Benefits and Value-Added of Indicators for Local Authorities

- *Service Improvements* – Indicators can point the way towards both problems and good practice, and thus can assist in the process of continuous improvement in services.
- *Monitor Progress in Achieving Corporate Objectives* – Through linking corporate objectives to local indicators.
- *Cost Savings* – In some countries, indicators have also assisted local authorities to identify where efficiency savings can be made.
- *Enhanced Accountability* – Local authorities can be held to account by both elected members and the public for the manner in which services are provided, through examining issues such as outcome achieved for the resources used. Results can be communicated to the public leading to enhanced accountability and public trust.
- *Sending a Strong Signal* – Reporting on indicators sends out a message that local government is committed to building on progress already made in the modernisation process to date.

7 POTENTIAL PITFALLS AND DIFFICULTIES

It is acknowledged in many of the examples in different countries, as well as in the literature on performance measurement, that a number of local factors, over some of which a local authority has little or no control, will have an influence on indicators. These can include:

- levels of poverty, unemployment or deprivation, which can affect the levels, for example, of social housing demand or library use;
- financial resources, which may affect levels of service more in some areas than others – for example, housing construction or road maintenance figures more so than the time taken to get a meeting with a planner for pre-planning consultation;
- population density, which can affect, for example, the costs of refuse collection;
- geographical factors, which may affect, for example, the cost of supplying services or paying for contracts – also remote rural areas may have different needs or priorities than urban areas;
- topography and climate, which can affect, for example, the costs of road building or requirements for surface dressing;
- historical or architectural factors, which can, for example affect the time taken to decide on planning applications dealing with historic buildings in cities and towns.

In the UK, for example, research has shown that deprivation can have a strong effect on certain performance indicators. For example, a causal relationship has been identified between deprivation and council tax collection and some user satisfaction levels (i.e. it is harder to collect 100% of payments due in poorer areas than in wealthier areas). While attempts can be made to give weightings to account for this, such efforts may lead to disputes over the level of weighting. An alternative approach might be to publish relevant background information, so that these can be taken into account when interpreting indicators. In many cases, it will also be useful for local authorities to provide supplementary information, in addition to the basic data on the indicators, which explain the context of some results.

Similarly, the level of financial resources will very often affect performance. An indicator may simply point to the fact that less financing was available for a particular scheme than in previous years. If this is so, this can be indicated in the supplementary information to the indicators that are being reported on. For example, the level of investment in road maintenance and restoration is very often heavily dependent on the level of grant aid from central government and the prevailing bitumen prices. A reduction in grant aid to local authorities and /or bitumen prices may well affect the indicator concerning percentage of local and regional roads surface dressed each year. Where this is so, this can be specified in the contextual information. Other indicators, such as percentage of schools participating in environmental campaigns or number of planning enforcement procedures taken, may be less sensitive to financial resources.

Despite extensive efforts to draw up detailed common definitions for those things that are measured in the US International City Management Association (ICMA) project, those involved still felt that care was needed before drawing conclusions on the data. They concluded that 'despite all of these efforts, errors will not be fully eliminated … Users of comparative data need to be aware of inherent data limitations and ask appropriate questions before forming conclusions about the performance of one or more jurisdiction'. Certainly, the US experience has been that the potential for misuse of information and unfair criticism is quite high, although many of the worst fears about negative publicity have failed to materialise thus far.

Crude league tables should be avoided wherever possible. In most cases they do not provide for relevant background information, and can therefore be misleading and incorrectly interpreted. One commentator on indicators in Irish local government notes: 'it makes little sense, for example, to compare service provision in South Dublin, with its high urbanisation and high levels of social deprivation, with a county such as Mayo which faces issues associated with a dispersed rural population. Differing starting points regarding the resource base of local authorities can make crude comparisons meaningless'. The same commentator, while noting some of the potential problems with indicators, also observes that 'the case for using meaningful comparative performance indicators as part of a comprehensive performance measurement system is strong … large sums of money are being invested in and through local authorities, and there is a need to know how effectively public funds are being used'. Where comparisons are drawn either at local or national level, they should be appropriate and in context.

It is important that when results are published local authorities show themselves willing to take action on the basis of the results, at least in those areas where

something can be done to make improvements. Advice from the UK is that the use of indicators 'demands a mature approach from members, who will need to consider how to respond if a target is not achieved. While failure to achieve targets is a legitimate subject for debate, this must not be allowed to …create a culture where performance reporting becomes a "blaming" activity'. Experience in the UK shows that there can also be a difficulty in getting elected members to engage with the process, with some perceiving it as a distraction from what are felt to be more important day-to-day service delivery problems.

Another danger is that systems of indicators can lead to an emphasis on processes and procedures rather than outcomes. A number of commentators point to the need for local authorities to avoid the temptation of focusing on what can be easily measured, rather than the actual improvements that matter most to service users and citizens.

It is also emphasised that reliable data is required, particularly regarding the cost of providing particular services, requiring a well-developed management accounting system. In many cases, indicators can be based on data that is already collected by local authorities. A particular difficulty that has also been noted can be developing sound cost data, although the introduction of the new financial management system in Irish local government should assist in this task.

It is not recommended that the use of composite grades or labels (such as 'improving', 'good' or 'weak') be adopted in the Irish context. It is considered that the use of simplistic labels or grades can be unhelpful, trying to capture as it does a range of different services within a local authority, some of which may be working well, others which may not be. It is also clear that the use of such labels can act as a demotivating factor for the staff of local authorities where genuine attempts at improvement are under way. Rather, indicators could simply be published, and readers allowed to draw their own conclusions against previous years' performances, where necessary supported by background information.

8 CONCLUSIONS

The following are the conclusions of the Group, clustered around a number of different themes, including national service indicators, local indicators, reporting arrangements, making use of indicators, and performance verification. Amongst the conclusions are that there is a need to revise the national set of indicators, in line with the list outlined in Appendix I. In addition, details on the method of collecting

data and clearer definition of terms are provided in Appendix II. The revised set of indicators, incorporating new indicators and changes to existing one, is based on:

- some of the national service indicators initially published in 2000;
- suggestions for improvement and / or new indicators received from both local authorities and different sections of the Department of the Environment, Heritage and Local Government (including the Local Government Audit Service);
- indicators adapted from those in use in other countries.

The Group considers that this list provides a balance between having too many indicators (which takes up resources and can lead to 'information overload') and too few indicators (which carries a danger of focussing on the few areas of activity that are measured, to the neglect of those areas that are not).

National Service Indicators

Many local authorities have signalled their commitment to the service indicators initiative, through reporting on performance, the development of local indicators, wide dissemination, and through making use of indicators as part of a regular review process. However, some local authorities would appear to be 'lukewarm' on the initiative to date, and a much more focussed and proactive approach will be required in such circumstances.

The list of national service indicators has been revised in light of experience to date, the views expressed during the review, and taking account of good practice in other countries.

It may well be that in the light of experience and changing circumstances, the revised list presented in Appendix I will require further revision in the coming years. However, the temptation to revise the list too often will mean that results may not be usefully compared over a number of years. It is nevertheless considered that the list advanced in this report will produce information that is:

- meaningful and understandable to the public, elected members and officials;
- related to local authority services;

- shows a trend over time;

- allows for relatively easy data collection (where possible correlating with data collected for other purposes, such as returns to the Department of the Environment, Heritage and Local Government, data available from the Local Authority Financial Management System or Local Government Computer Services Board systems, local authority Intranets, information supplied to agencies such as the Environmental Protection Agency etc.).

Local Indicators

Local authorities should develop their own local indicators to supplement the nation-wide list of service indicators, particularly where it is felt that the latter do not sufficiently reflect all of the local authority's priorities as identified in its corporate plan or business/operational plans. A number of local authorities have already taken the initiative to do this (for example, Sligo, Clare, Galway City, Galway County, Cork City, Dún Laoghaire-Rathdown, Limerick County, Wicklow, Roscommon, Waterford County, Laois, Louth, Kildare, Donegal, Leitrim and South Dublin). Targets for improvement vis-à-vis both national service indicators and local indicators should also be set locally, in line with the principles of local government and the identification of local priorities.

Where local authority priorities are generally worded, the UK Audit Commission suggests that core objectives can be broken down into activities that can be measured – this can be done by continually asking the question 'what will be done to achieve this objective?'. An example of this approach is given earlier in this report by Kildare County Council, where it identified indicators for its corporate objectives.

Local indicators should be focussed on outcomes, and could be usefully related to priorities identified by customer and citizen surveys, thus ensuring that citizens' and service users' views are incorporated into the identification of indicators. They may also be used to provide information on the responsiveness of the local authority (for example, in the field of roads, a local indicator could be the length of time taken to fill potholes on local roads).

A number of local authorities suggested the use of indicators based on customer or user satisfaction rates. The revised list of national service indicators set out in Appendix I does not include indicators related to customer satisfaction rates, which could be identified through regular use of customer surveys. The problem with

national-level indicators based on customer satisfaction rates is that comparison between local authorities would require the same questions being asked, with the same wording and response categories in each local authority area. For this reason, it may be more appropriate for local authorities to identify local indicators based on user satisfaction surveys, for comparison on an annual basis.

Local indicators should be identified with the involvement of both elected members and staff, to create ownership and so that they are firmly embedded in the reality on the ground. The Corporate Policy Group (CPG) and partnership committee are possible avenues for this purpose.

Local indicators may also be appropriate in the context of targets and objectives set out in the local County / City Development Board (CDB) strategy. Local authorities may be interested in reporting on their progress in meeting those aims that particularly relate to activities envisaged under the CDB strategy. The CDB strategies in the main contain clear quantified targets, indicators and deadlines to mark progress in implementation. The local authority may also wish to seek to reach agreement with other agencies on crosscutting indicators, which the parties involved accept as relevant and which each can influence.

Local indicators could also be used to monitor progress in achieving key goals, objectives and targets set out in service plans, customer action plans, or statutory plans such as the waste management strategy, the development plan, the Traveller accommodation plan, the road safety plan, the arts plans and so forth – again, this would appear to already be the practice in some local authorities.

Local indicators may also be appropriate for monitoring developments and progress in relation to broader themes, such as quality of life, sustainable development, or social inclusion.

A number of websites and other resources (see Appendix VIII) exist providing 'off the shelf' indicators to help local authorities identify their own local indicators in accordance with local priorities. The Local Government Audit Service VFM Studies also offer a number of suggested indicators that could be adopted by local authorities.

Implementation – Reporting on Indicators

Local authorities should report data on each national service indicator that applies to their activities in their annual reports. Figures should be presented for each year

and, where figures are available, alongside the corresponding data for the two preceding years. Very often, data for individual local authorities over a number of years can be more revealing than crude 'league tables' between local authorities that may not be directly comparable. However, local authorities might also consider publishing information alongside results for a selected number of similar or neighbouring local authorities. It would also seem practical that figures on indicators should be presented in the section of the annual report relevant to the indicator in question (i.e. indicators on the planning service presented in the section of the annual report dealing with planning).

Local authorities should use the texts of annual reports to provide background information on the data, explanations of any trends that can be observed, and any action to be undertaken on the basis of the figures.

A report on data relating to national service indicators and local indicators should also be prepared for elected members. Data on indicators could be discussed in advance by the local authority's Corporate Policy Group (CPG), with the report then forwarded to the full council, and where they relate to specific services, to the appropriate Strategic Policy Committee (SPC). Where possible, local authorities might like to consider more regular reporting on indicators, for example every 6 months, to these groupings – a focus could be given by identifying both good and poor performance, suggestions for the reasons for this, and follow-up action envisaged. SPCs in particular could play a role in monitoring follow-up action taken on the basis of data collected on indicators as they apply to specific services. Members of both the CPG and SPCs should, however, be briefed on how to properly use indicators (i.e. that they are a tool for further improvement in services), as well as the limitations that can apply to them, so that they do not come to inappropriate conclusions.

Local authorities should also consider publishing information on national service indicators and local indicators in their budgetary material, corporate plan, customer action plans, websites, and any relevant promotional material. Local authorities might consider publishing their performance and future targets against indicators in a manner which is specifically geared at informing their customers in a plain, easily understood manner (e.g. newsletters, leaflets, inserts etc.).

Local authorities should consider preparing a press release upon publication of their annual report, so as to more fully inform, and to disseminate results through the local media. The US experience shows that this should ensure that the local and national media are properly briefed on the use of such data.

Implementation - Making Use of Indicators

Local authorities should also be encouraged to set targets for continuous improvement against both national service indicators and local indicators. The setting of targets could be based on existing levels (as a baseline), and agreed through initially involving the CPG, the partnership committee, the management team, and the elected council. Targets should be specifically worded rather than vaguely-termed. For example, they could involve time-bound targets or percentage achievement.

The annual progress reports on the implementation of the corporate plan should make use of both national service indicators and local indicators to convey information on progress achieved in reaching the various objectives and goals of the corporate plan.

The objective of using indicators is to improve local authority services and accountability. Publishing data should not be an end in itself, but a tool for the local authority to identify where there may be problems. Indicators are just that: they may indicate where things are working well, and where there may be problems. They should be followed up by further investigation, as they do not necessarily provide an automatic solution to that problem – indicators will not provide local authorities with a 'quick fix'.

Central government can help in this regard by investigating the factors leading to consistently good services. Those local authorities showing consistently good performance in certain services should be asked what factors or practices they believe contribute to this – good practice could thus be disseminated throughout the system for the information of other local authorities.

Data Verification and Analysis of National Service Indicators

There should be some form of validation of data. This would strengthen the credibility and openness of the process, and be in line with good practice internationally. Verification is considered necessary to have a credible picture on performance.

The Group consider that verification should be carried out by the Local Government Management Services Board (LGMSB). The Board's role would involve providing:

- external monitoring and verification of national service indicators, and

- compiling and providing analysis of a central data set of national service indicators.

To allow the LGMSB to fulfil this role in a timely manner, each county and city council should furnish the Board with details of its performance against the national set of service indicators for the year in question by the end of the first quarter of the following year. The Group recommends that the approach to data validation should involve the Board conducting verification of indicator data in a small random sample of local authorities. The Board's analysis of performance against the national set of indicators would also be a resource for local authorities to make comparisons with other local authorities as appropriate.

Local authorities should also be able to illustrate that they have systems in place to report on national service indicators.

9 RECOMMENDATIONS

- The commitment of local authorities to the service indicators initiative, in many cases going beyond requirements to report on national indicators, should be recognised and further encouraged.

- The list of national service indicators should be revised and increased to forty-two in accordance with Appendix I, and applied in line with the methodology set out in Appendix II.

- Local authorities should report data on national service indicators that apply to their activities in their annual reports.

- Figures on national indicators should be presented for each year and, where figures are available, alongside the same data for the two preceding years. Figures should be presented in the section of the annual report relevant to the indicator.

- Local authorities should use the texts of annual reports to provide background information on the data, explanations of any trends that can be observed, and any action to be undertaken on the basis of the figures.

- A report on performance against national service indicators and local indicators should be prepared for elected members at least once a year.

- Local authorities, where they are not already doing so, should develop their own local indicators to supplement the nation-wide list of service indicators.

- Local indicators should be focussed on outcomes, and could be usefully related to priorities identified by customer and citizen surveys, corporate and operational plans, the County/City Development Board strategy, and service-specific plans (some local indicators could be based on customer or user satisfaction rates).

- Local authorities should publish information on national service indicators and local indicators in their budgetary material, corporate plans, customer action plans, websites, and relevant promotional material.

- Targets for improvement vis-à-vis both national service indicators and local indicators should be set locally, in line with the principles of local government and the identification of local priorities.

- Publishing data should not be an end in itself. This data is a tool for the local authority to identify where there may be problems – the reasons for continually poor performance need to be analysed and follow-up action planned for.

- Those local authorities showing consistently good performance in certain services should be asked by central government to indicate what factors or practices they believe contribute to this – in this way good practice could be shared.

- The Local Government Management Services Board should be given the role of external monitoring and verifying of national service indicators, as well as compiling and providing analysis of a central data set of national service indicators (data validation would involve conducting verification of indicator data in a small random sample of local authorities). The Board should make an annual report on monitoring and verification to the Minister for the Environment, Heritage and Local Government.

Appendix I - Revised Set of Service Indicators

H: Housing

H.1 Housing Vacancies

Total number of dwellings in local authority stock	Overall % of dwellings that are let	Overall % of dwellings that are empty

% of empty dwellings subject to major refurbishment schemes	% of empty dwellings unavailable for letting	% of empty dwellings available for letting

H.2 Average time taken to relet dwellings available for letting.

H.3 Number of repairs completed as a percentage of the number of valid repair requests received.

H.4 Average time taken to inform applicants of local authority's decision on applications for:

- the shared ownership housing scheme
- housing loans schemes
- local authority housing

H.5 Traveller Accommodation

Total number of traveller families accommodated as a percentage of the targets set in the local traveller accommodation programme

R: Roads

R.1

Local and regional roads surface dressed per annum (square metres)	Percentage of local and regional roads surface dressed per annum

M: Motor Taxation

M.1 Percentage of motor tax transactions which

- are dealt with over the counter
- are dealt with by post
- are dealt with in other ways (e.g. online, by telephone)

M.2 Number of postal applications and percentage of overall postal applications which are dealt with (i.e. disc/ driver licence issued) from receipt of the application:

(a) On the same day
(b) On the third day or less
(c) On the fifth day or less
(d) Over 5 days

M.3 Public opening hours:

- average number of opening hours per week

E: Environmental Services

Water

E.1 Percentage of river channel which is:

(a) Unpolluted
(b) Slightly polluted
(c) Moderately polluted
(d) Seriously polluted

E.2 Percentage of drinking water analyses reaults in compliance with statutory requirements with regard to:

- public schemes
- private schemes (where appropriate)

Fire Service

E.3 Average time, in minutes, to mobilise fire brigades in

- full time stations
- part time stations

E.4 Percentage of attendances at scenes where

- first attendance is at scene within 10 minutes
- first attendance is at scene within 20 minutes
- first attendance is at scene after 20 minutes

E.5 Fire Prevention

- total number of fire safety certificate applications received
- total number of fire safety certificate applications processed

Waste Management

E.6 Percentage of households provided with segregated waste collection

E.7 Percentage of household waste recycled

E.8 Percentage of household waste going to landfill

E.9 Recycling Facilities

Category	Number of Bring Sites	Number of Civic Amenity Sites	Total Number of Facilities	Number of locations per 5,000 of population	Tonnage of waste collected for recycling per 5,000 of population
Glass					
Cans					
Textiles					
Batteries					
Oils					
Others					

Litter Prevention and Environmental Enforcement

E.10 Litter

Number of Litter Wardens:

Total number of full-time litter wardens	Total number of part-time litter wardens	Number of litter wardens (both full and part-time) per 5,000 population

Number of on-the spot fines
Number of prosecution cases taken because of non-payment of on-the-spot fines
Number of prosecutions secured

Percentage of areas within the local authority that are:

- unpolluted (i.e. litter-free)
- slightly polluted with litter
- moderately polluted with litter
- significantly polluted with litter
- grossly polluted with litter

E.11 Environmental Complaints and Enforcement

- total number of cases subject to complaints concerning environmental pollution (relating to waste, litter, water pollution, noise pollution, air pollution)
- number of complaints investigated, and number dismissed
- number of enforcement procedures taken

E.12 Percentage of Schools participating in environmental campaigns

- primary schools
- secondary schools

P: Planning and Building Control

P.1 Planning Applications - Decision-Making

Category	No. of applications determined	% of complete applications determined within 8 weeks	Average length of time taken to determine an application where further information is sought	% of grants	% of refusals	% of cases where the decision was confirmed by An Bord Pleanála	% of cases where the decision was varied by An Bord Pleanála	% of cases where the decision was reversed by An Bord Pleanála
Individual Houses								
Housing Development								
Other: not requiring EIA								
Other: requiring EIA								

P.2 Planning Enforcement

- total number of cases subject to complaints that are investigated, and number dismissed
- number of enforcement procedures taken through warning letters
- number of enforcement procedures taken through enforcement notices
- number of prosecutions

P.3 Public opening hours

- average number of opening hours per week

P.4 Average length of time from request for consultation with local authority planner to actual formal meeting for pre-planning consultation

P.5 Buildings inspected as a percentage of new buildings notified to the local authority

Rev: Revenue Collection

Rev.1 House Rent

(a) Amount collected at year end as a percentage of amount due
(b) Percentage of arrears:

(i) 4-6 weeks old
(ii) 6-12 weeks old
(iii) more than 12 weeks old

Rev.2 Housing Loans

(a) Amount collected at year end as a percentage of amount due
(b) Percentage of arrears:

(i) 1 month old
(ii) 2-3 months old
(iii) more than 3 months old

Rev.3 Commercial Rates

Amount collected at year end as a percentage of amount due

Rev.4 Refuse Charges

Percentage of households paying refuse charges at year end

Rev.5 Non-Domestic Water Charges

Amount collected at year end as a percentage of amount due

C: Corporate Issues

C.1 Percentage of working days lost to sickness absence through

- certified leave
- uncertified leave

C.2 Expenditure on Training and Development as a percentage of total payroll costs

L: Library Services

L.1 Public opening hours:

- average number of opening hours per week for full-time libraries
- average number of opening hours per week for part-time libraries (where applicable)

L.2 Number of registered library members as a percentage of the local population

L.3 Number of items issued per head of population (county / city wide) for:

(a) Books
(b) Other items

L.4 Percentage of libraries that offer Internet access to the public

L.5 Number of Internet sessions provided per 1,000 population

A&C: Arts and Cultural Services

A&C.1 Arts Grants

- number of arts grants allocated
- total value of arts grants allocated per 1,000 population

Rec: Recreational Services

Rec.1 Number of children's playgrounds per 1,000 population
- directly provided by the local authority
- facilitated by the local authority

Rec.2 Number of visitors to local authority facilitated swimming facilities per 1,000 population

CP: Community Participation & Cooperation – Your Local Authority

CP.1 Percentage of local schools involved in the local Youth Council / Comhairle na n-Óg scheme

Appendix II - Methodology for Compiling Data National Service Indicators

This Appendix contains guidance and clarification for local authorities on how to compile data for the set of National Service Indicators. This is to facilitate consistency in terms of how data on indicators are compiled and, where appropriate, to allow for relevant and in context comparisons to be drawn between local authorities.

The terminology used for the indicators is designed to be easily understood by potential users of indicators, such as elected members, management, staff, local stakeholders and the public at large. This Appendix aims to give greater clarity to what is meant by certain of the terms used, and in some cases to illustrate how the data can be compiled.

The indicators apply to services provided in city, county, borough and town areas, and should be reported on by city and county councils. County councils should incorporate information on services provided in borough and town council areas, where relevant.

Each of the indicators is marked in bold. Where necessary, any terms used in the indicator are defined, and guidance given on the method of calculation.

H: HOUSING

H.1 Housing Vacancies.

Column A: Total number of dwellings in local authority stock	Column B: Overall % of dwellings that are let	Column C: Overall % of dwellings that are empty

Column D: % of empty dwellings subject to major refurbishment schemes	Column E: % of empty dwellings unavailable for letting	Column F: % of empty dwellings available for letting

Definitions / Clarifications / Methodology

"Major refurbishment schemes" only includes schemes approved by the Department of the Environment, Heritage and Local Government.

For the purposes of calculating "% of empty dwellings unavailable for lettings", exclude dwellings subject to refurbishment schemes.

The figures for this indicator should be presented as an average of 4 separate points in time (i.e. taken at end March, June, September and December respectively).

For clarification, Column D + Column E + Column F = Column C.

Column B and Column C should cover all local authority dwellings.

H.2 Average time taken to relet dwellings available for letting.

Definitions / Clarifications / Methodology

Calculate the time taken in weeks to relet dwellings from the date of the last rent debit to the subsequent rent debit.

This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

H.3 Number of repairs completed as a percentage of the number of valid repair requests received.

Definitions / Clarifications / Methodology

Include only repair requests made in accordance with the letting agreement. Planned maintenance is not included as part of this indicator – thus include only repair requests for routine and response maintenance.

This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

For clarification, a valid repair request should be taken as one unit – i.e. if a person contacts a local authority ten times about the *same* problem, this should be regarded as one repair request received. However, if the same person has cause to contact the local authority on 2 separate occasions about 2 separate problems, this should be treated as 2 separate repair requests.

H.4 Average time taken to inform applicants of local authority's decision on applications for:

- **the shared ownership housing scheme**
- **housing loans scheme**
- **local authoity housing**

Definitions / Clarifications / Methodology

Calculate the time taken in days from the date of receipt of a valid application (including all complete information) to the date of letter informing applicant of local authority's response. In the case of the shared ownership scheme, the time can be calculated on the basis of the notification by the local authority of provisional approval.

This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

For clarification, the third bullet ("local authority housing") refers to the time taken to inform applicants of their eligibility for inclusion onto the housing list, as opposed to the time taken to allocate them a house.

H.5 Traveller Accommodation - Total number of traveller families accommodated as a percentage of the targets set in the local traveller accommodation programme

Definitions / Clarifications / Methodology

"Total number of travellers accommodated" includes traveller families that are housed either through the provision of traveller accommodation units / halting sites or where the local authority provide houses to traveller families.

The total number of traveller families accommodated is calculated on the basis of the number of traveller accommodation units / halting sites or houses for traveller families provided in the year in question (i.e. the number that became available between January and December). This should then be expressed as a percentage of the annual targets set out in the local traveller accommodation programme.

R: ROADS

R.1

Local and regional roads surface dressed per annum (square metres)	Percentage of local and regional roads surface dressed per annum

Definitions / Clarifications / Methodology

For clarification, "local and regional roads" refer to non-national roads (the wording "local and regional" is used as this is likely to be more meaningful to the public).

The indicator may also be influenced by the level of block grants made available to local authorities. If this is a factor, it should be remarked upon in any additional commentary to the indicators.

Surface dressing includes only *pure* surface dressing for road maintenance purposes. For clarification, surface dressing does not include expenditure on road improvements (for example, surface restoration or road construction). Equally, expenditure on surface dressing does not include new capacity and construction.

This indicator should be recorded in square metres of total road surface that has been subject to surface dressing, rather than the length of road surface dressed (given that some non-national roads are significantly wider than others).

M: MOTOR TAXATION

M.1 Percentage of motor tax transactions which

- **are dealt with over the counter**
- **are dealt with by post**
- **are dealt with in other ways (e.g. online, by telephone)**

Definitions / Clarifications / Methodology

Include applications for motor tax discs, driver licences, and other relevant transactions for which payment is made.

This indicator should be presented as a percentage of the total number of motor tax applications etc. dealt with from January until December.

M.2 Number of postal applications and percentage of overall postal applications which are dealt with (i.e. disc/ driver licence issued) from receipt of the application:

(a) On the same day
(b) On the third day or less
(c) On the fifth day or less
(d) Over 5 days

Definitions / Clarifications / Methodology

Include applications for motor tax discs, driver licences, and other relevant transactions for which payment is made.

This indicator should be presented as a total number, and as a percentage of the total number of postal applications dealt with from January until December.

M.3 Public opening hours:

- **average number of opening hours per week**

Definitions / Clarifications / Methodology

This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

E: ENVIRONMENTAL SERVICES

Water

E.1 Percentage of river channel which is:

(a) Unpolluted
(b) Slightly polluted
(c) Moderately polluted
(d) Seriously polluted

Definitions / Clarifications / Methodology

The figures used for this indicator should be the same as those compiled for reporting to the EPA.

E.2 Percentage of drinking water analyses results in compliance with statutory requirements with regard to:

- **public schemes**
- **private schemes (where appropriate)**

Definitions / Clarifications / Methodology

These figures can be based on Annual Drinking Water Returns submitted by the local authority to the EPA (and should include those samples undertaken for the council by other agencies).

Fire Service

E.3 Average time, in minutes, to mobilise fire brigades in

- **full time stations**
- **part time stations**

Definitions / Clarifications / Methodology

This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

The time taken is measured from the time of the fire call-out (i.e. the notification of the location of the fire) until the time when the vehicle leaves the station.

E.4 Percentage of attendances at scenes where

- **first attendance is at scene within 10 minutes**
- **first attendance is at scene within 20 minutes**
- **first attendance is at scene after 20 minutes**

Definitions / Clarifications / Methodology

For clarification, "attendances at scene" refers to the arrival at the scene of a fire. Again, this time is measured from the time of the fire call-out (i.e. the notification of the location of the fire).

This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

E.5 Fire Prevention

- **total number of fire safety certificate applications received**
- **total number of fire safety certificate applications processed**

Waste Management

E.6 Percentage of households provided with segregated waste collection

Definitions / Clarifications / Methodology

For clarification, this indicator does not apply where local authorities are not involved in waste collection.

E.7 Percentage of household waste recycled

Definitions / Clarifications / Methodology

For clarification, this indicator refers to the percentage of total tonnage of household waste arisings collected which is sent for recycling during the year in question. This includes private and voluntary collections of household waste sent for recycling. It also includes waste recycled to form compost in central or community composting facilities, but does not include home composting or waste sent for energy recovery.

With regard to private contractors, local authorities should be able to source figures under the terms of their licencing agreement.

"Household waste" is defined under section 5 of the Waste Management Act 1996 as "waste produced within the curtilage of a building or self-contained part of a building used for the purposes of living accommodation".

E.8 Percentage of household waste going to landfill

Definitions / Clarifications / Methodology

For clarification, this indicator refers to the percentage of total tonnage of household waste arisings collected which is sent for landfilling during the year in question.

The figure for total tonnage of waste going to landfill should include waste that is landfilled both within and outside of the local authority area (i.e. waste going to landfill in a neighbouring local authority area or abroad should be included in the figures for total tonnage of waste sent to landfill when calculating this indicator).

With regard to private contractors, local authorities should be able to source figures under the terms of their licencing agreement.

"Household waste" is defined under section 5 of the Waste Management Act 1996 as "waste produced within the curtilage of a building or self-contained part of a building used for the purposes of living accommodation".

E.9 Recycling Facilities

Category	Column A: Number of Bring Sites	Column B: Number of Civic Amenity Sites	Column C: Total Number of Facilities	Column D: Number of locations per 5,000 of population	Column E: Tonnage of waste collected for recycling per 5,000 of population
Glass					
Cans					
Textiles					
Batteries					
Oils					
Others					

Definitions / Clarifications / Methodology

For clarification, Column A + Column B = Column C.

Therefore, "total number of facilities" in Column C includes facilities provided by the local authority or by other bodies during the year in question. All "bring" facilities, recycling centres, civic amenity facilities, transfer stations and other recycling facilities should be included.

"Others" may include a variety of categories. As a local indicator, local authorities may wish to further categorise "others" into newspaper/ cardboard, fridges/ freezers, metals, clear plastic bottles, timber, and green waste.

The basis for calculating the "number of locations per 5,000 of population" and "tonnage of waste collected for recycling per 5,000 of population" should be the total population of the local authority area according to the most recent Census. "Number of locations" is based on the figures in Column C.

Litter Prevention and Environmental Enforcement

E.10 Litter

Total number of full-time litter wardens	Total number of part-time litter wardens	Number of litter wardens (both full and part-time) per 5,000 population

Number of on-the spot fines

Number of prosecution cases taken because of non-payment of on-the-spot fines

Number of prosecutions secured

Percentage of areas within the local authority that are:

- **unpolluted (i.e. litter-free)**
- **slightly polluted with litter**
- **moderately polluted with litter**
- **significantly polluted with litter**
- **grossly polluted with litter**

Definitions / Clarifications / Methodology

The basis for calculating the "number of litter wardens per 5,000 population" should be the total population of the local authority area according to the most recent Census.

For clarification, "number of prosecutions" includes number of prosecutions taken for non-payment of on-the-spot litter fines (and does not include number of prosecutions for litter offences – these are covered in E.11 below).

For clarification, "grossly polluted", "significantly polluted", "moderately polluted", "slightly polluted", and "unpolluted" are the same categories used in the National Litter Monitoring System, and the data from this system should be used to compile these figures.

E.11 Environmental Complaints and Enforcement

- **total number of cases subject to complaints concerning environmental pollution (relating to waste, litter, water pollution, noise pollution, air pollution)**
- **number of complaints investigated, and number dismissed**
- **number of enforcement procedures taken**

Definitions / Clarifications / Methodology

For clarification, "cases subject to complaints" and "complaints investigated" includes those cases which are investigated on the initiative of the local authority, as well as those that are instigated by the public.

"Number of enforcement procedures taken" includes enforcement proceedings provided for under the Waste Management Act 1996, the Litter Pollution Act 1997, the Local Government (Water Pollution) Acts 1977 and 1990, the Protection of the Environment Act 2003, the Noise Regulations 1994, and other relevant legislation.

E.12 Percentage of schools participating in environmental campaigns

- **primary schools**
- **secondary schools**

Definitions / Clarifications / Methodology

This indicator is calculated on the basis of the number of primary and secondary schools that are registered as Green Schools under the Green Schools campaign in the year in question.

P: Planning and Building Control

P.1 Planning Applications - Decision-Making

Category	Column A- No. of applications determined	Column B- % of complete applications determined within 8 weeks	Column C- Average length of time taken to determine an application where further information is sought	Column D- % of grants	Column E- % of refusals	Column F- % of cases where the decision was confirmed by An Bord Pleanála	Column G- % of cases where the decision was varied by An Bord Pleanála	Column H- % of cases where the decision was reversed by An Bord Pleanála
Individual Houses								
Housing Development								
Other: not requiring EIA								
Other: requiring EIA								

Definitions / Clarifications / Methodology

For clarification, "number of applications determined" in Column A refers to those applications determined by the local authority in the calendar year from January to December. For example, even if an original application was made in November or December 2002, but the local authority's decision was made in January 2003, the figures for 2003 should include the decision made in January 2003.

For the purposes of calculating the "percentage of complete applications determined within 8 weeks" in Column B, include only those valid applications where no further information is requested before the local authority reaches its decision.

For the purposes of calculating "average length of time taken to determine an application where further information is sought" in Column C, include only those applications where the local authority has requested further information. Calculate the time taken to determine each application where further information is sought by identifying the length of time from receipt of the original application to the date of the letter seeking further information. Then add this figure to the length of time between the receipt of the further information and the date of notification of the decision to the applicant.

For the purposes of calculating the average figure for the year in Column C, include those applications determined by the local authority in the calendar year from January to December. For example, even if an original application was made in June 2002, further information was sought in July 2002, and was not received until December 2002, and the local authority's decision was made in January 2003, the figures for 2003 should include the decision made in January 2003.

For clarification, "percentage of grants" in Column D refers to the percentage of grants (with or without conditions) on those decisions made by the local authority in the calendar year from January to December. For example, even if an original application was made in November or December 2002, but the local authority's decision was made in January 2003, the figures for 2003 should include a decision to grant permission made in January 2003.

For clarification, "percentage of refusals" in Column E refers to the percentage of refusals on those decisions made by the local authority in the calendar year from January to December. For example, even if an original application was made in November or December 2002, but the local authority's decision was made in January 2003, the figures for 2003 should include a decision to refuse permission made in January 2003.

For clarification, "percentage of cases where the decision was confirmed by An Bord Pleanála" in Column F refers to the decisions of the local authority that were upheld without variations by An Bord Pleanála in the calendar year from January to December. For example, even if the original decision of the local authority was made in August 2002, but An Bord Pleanála's decision was made in 2003, the figures for 2003 should include the Board's decision made in 2003.

For clarification, "percentage of cases where the decision was varied by An Bord Pleanála" in Column G refers to the decisions of the local authority that were varied by An Bord Pleanála in the calendar year from January to December. For example, even if the original decision of the local authority was made in October 2002, but An Bord Pleanála's decision on appeal was made in 2003, the figures for 2003 should include the Board's decision made in 2003.

For clarification, "percentage of cases where the decision was reversed by An Bord Pleanála" in Column H refers to the decisions of the local authority that were reversed by An Bord Pleanála in the calendar year from January to December. For example, even if the original decision of the local authority was made in October 2002, but An Bord Pleanála's decision was made in 2003, the figures for 2003 should include the Board's decision made in 2003.

The total number of permissions granted is already collected for publication in the quarterly and annual planning statistics, published by the CSO. It should be possible to collect much of this information from the iPlan system used by many local authorities.

P.2 Planning Enforcement

- **total number of cases subject to complaints that are investigated, and number dismissed**
- **number of enforcement procedures taken through warning letters**
- **number of enforcement procedures taken through enforcement notices**
- **number of prosecutions**

Definitions / Clarifications / Methodology

For clarification, "cases subject to complaints" refers to written complaints that are reported to the local authority from external sources, as well as any cases that are identified internally within the local authority. Note also that "total number of cases subject to complaint" refers to the number of cases where complaints have been made, rather than the total number of complaints (i.e. some cases may be the subject

of one written complaint, while a few cases may be the subject of hundreds of written complaints).

For clarification, "number of cases dismissed" does not include cases that are resolved through negotiation between the relevant parties.

"Number of enforcement procedures taken through warning letters" includes number of warning letters issued under section 152 of the Planning and Development Act 2000 during the year in question. "Number of enforcement procedures taken through enforcement notices" includes number of enforcement notices issued under section 154 of the Planning and Development Act 2000 during the year in question.

"Number of prosecutions" includes number of prosecutions brought and injunctions sought by the local authority under sections 157 and 160 of the Planning and Development Act 2000 during the year in question.

P.3 Public opening hours

- average number of opening hours per week

Definitions / Clarifications / Methodology

For clarification, "average number of opening hours per week" refers to the average number of hours per week that the planning desk is open to members of the public. This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

If planning files can be accessed at more than one location in the local authority area, include the average number across all offices, and specify the number of locations in which planning files can be inspected.

P.4 Average length of time from request for consultation with local authority planner to actual formal meeting for pre-planning consultation

Definitions / Clarifications / Methodology

This indicator is calculated on the basis of the average time taken (in days) between the request for a pre-planning consultation (either by telephone or by letter / email) and the date of the actual meeting.

Include only pre-planning consultations involving a formal one-to-one meeting between planners and applicants. Do not include any pre-planning consultations that may take place over the telephone.

This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

P.5 Buildings inspected as a percentage of new buildings notified to the local authority

Definitions / Clarifications / Methodology

For clarification, "buildings inspected" refers to inspections undertaken by the local building control authority under Section 11 of the Building Control Act, 1990.

"New buildings notified to the local authority" includes buildings where valid commencement notices are served by builders or developers on the local building control authority, in accordance with Section 6(2)(k) of the Building Control Act 1990 and Part II of the Building Control Regulations 1997 (S.I. No. 496 of 1997).

REV: REVENUE COLLECTION

Rev.1 House Rent

(a) Amount collected at year end as a percentage of amount due

(b) Percentage of arrears:

- **(i) 4-6 weeks old**
- **(ii) 6-12 weeks old**
- **(iii) more than 12 weeks old**

Definitions / Clarifications / Methodology

For clarification, "amount collected at year end" refers to the amount collected that was due in the year in question, less any amount collected that was due in relation to previous years.

The "amount due" refers to the amount of rent due on all occupied dwellings for the year in question (for example amount due in 2003 excluding arrears incurred before 2003).

Local authorities are free to indicate by way of commentary or footnote what percentage of their arrears for the year in question, if any, are subject to an agreed instalment plan to clear the arrear.

Rev.2 Housing Loans

(a) Amount collected at year end as a percentage of amount due

(b) Percentage of arrears:

- **(i) 1 month old**
- **(ii) 2-3 months old**
- **(iii) more than 3 months old**

Definitions / Clarifications / Methodology

For clarification, "amount collected at year end" refers to the amount collected that was due in the year in question, less any amount collected that was due in relation to previous years.

The "amount due" refers to the amount of repayments due on loans in the year in question (for example, amount due in 2003 excluding arrears incurred before 2003).

Local authorities are free to indicate by way of commentary or footnote what percentage of their arrears for the year in question, if any, are subject to an agreed instalment plan to clear the arrear.

Rev.3 Commercial Rates - Amount collected at year end as a percentage of amount due

Definitions / Clarifications / Methodology

For clarification, "amount collected at year end" refers to the amount collected that was due in the year in question, less any amount collected that was due in relation to previous years.

The "amount due" refers to the amount of rates due in the year in question (for example, amount due in 2003 excluding arrears incurred before 2003).

Rev.4 Refuse Charges - Percentage of households paying refuse charges at year end

Definitions / Clarifications / Methodology

For clarification, "percentage of households paying refuse charges" refers to the proportion of households where refuse charges were paid in full to the local authority. Any charges collected that were due in previous years should not be included.

In addition, the processing of any waivers for refuse charges should be included in the figure for "percentage of households paying" (given that there is a time investment in the processing of waiver schemes).

Therefore, the indicator is calculated by adding the number of households where refuse charges have been paid in full, plus the number of households subject to waivers where these have been processed. This total is then expressed as a percentage of the total number of households subject to refuse charges or eligible for a waiver.

This indicator does not apply to local authorities where refuse collection is carried out wholly by private contractors.

Rev.5 Non-Domestic Water Charges - Amount collected at year end as a percentage of amount due

Definitions / Clarifications / Methodology

For clarification, "amount collected at year end" refers to the amount collected that was due in the year in the immediately preceding 12-month period (for example, if a local authority's billing period is in September, the 12-month period is September to September), less any amount collected that was due in relation to previous billing periods.

The "amount due" refers to the amount of non-domestic water charges due in the 12-month billing period in question (for example, amount due in September 2002 to September 2003 excluding arrears incurred before September 2002).

C: CORPORATE ISSUES

C.1 Percentage of working days lost to sickness absence through

- certified leave
- uncertified leave

C.2 Expenditure on Training and Development as a percentage of total payroll costs

Definitions / Clarifications / Methodology

For clarification, "expenditure on training and development" includes expenditure on short-term training courses, longer term education programmes (certificates, diplomas, degrees, etc.), work placements, seminars, conferences and other training and development opportunities offered to local authority staff and elected members. It also includes any travel and subsistence incurred by local authorities that is specifically connected with the attendance of staff and members at training events.

L: LIBRARY SERVICES

L.1 Public opening hours:

- average number of opening hours per week for full-time libraries
- average number of opening hours per week for part-time libraries (where applicable)

Definitions / Clarifications / Methodology

For clarification, "average number of opening hours per week" refers to the average number of opening hours across all libraries (including mobile libraries).

This indicator should be presented as an average for the whole year, based on the compilation of data on a continuous basis from January until December.

L.2 Number of registered library members as a percentage of the local population

Definitions / Clarifications / Methodology

The basis for calculating the "percentage of the local population" should be the total population of the local authority area according to the most recent Census. The number of registered library members should be determined at year end (i.e. December).

L.3 Number of items issued per head of population (county/city wide) for:

(a) Books
(b) Other items

Definitions / Clarifications / Methodology
The basis for calculating "per head of population" should be the total population of the local authority area according to the most recent Census.

L.4 Percentage of libraries that offer Internet access to the public

L.5 Number of Internet sessions provided per 1,000 population

Definitions / Clarifications / Methodology
The basis for calculating the "number of Internet sessions provided per 1,000 population" should be the total population of the local authority area according to the most recent Census.

A&C: ARTS AND CULTURAL SERVICES

A&C.1 Arts Grants
- **number of arts grants allocated**
- **total value of arts grants allocated per 1,000 population**

Definitions / Clarifications / Methodology
The basis for calculating the "total value of arts grants allocated per 1,000 population" should be the total population of the local authority area according to the most recent Census.

REC: RECREATIONAL SERVICES

Rec.1 Number of children's playgrounds per 1,000 population

- **directly provided by the local authority**
- **facilitated by the local authority**

Definitions / Clarifications / Methodology
For clarification, "playgrounds facilitated by the local authority" includes playgrounds where the local authority assists in the development of a playground through financial assistance or equipment provided by the local authority to, for example, a community group.

Rec.2 Number of visitors to local authority facilitated swimming facilities per 1,000 population

Definitions / Clarifications / Methodology

For clarification, "local authority facilitated swimming facilities" includes facilities where the local authority either directly or through a management company manages one or more swimming pools in the area, or where the local authority provides a swimming pool via a PPP arrangement.

The basis for calculating the "number of visitors to local authority facilitated swimming facilities per 1,000 population" should be the total population of the local authority area according to the most recent Census.

CP: COMMUNITY PARTICIPATION & COOPERATION – YOUR LOCAL AUTHORITY

CP.1 Percentage of local schools involved in the local Youth Council/ Comhairle na n-Óg scheme

H: Housing

H.1 The percentage of dwellings that are empty:

(a) Available for letting or awaiting minor repairs
(b) Others

H.2 Average time taken to relet dwellings available for letting or awaiting minor repairs.

R: Roads

R.1 Cost per square metre for surface dressing
R.2 Percentage of Local roads surface dressed per annum
R.3 Percentage of Regional roads surface dressed per annum

M: Motor Taxation

M.1 Percentage of applicants which are postal
M.2 Average number of postal applications and percentage of overall postal applications which are dealt with (i.e. disc issued) from receipt of the application:

(a) On the same day
(b) On the third day or less
(c) On the fifth day or less
(d) Over 5 days

M.3 Public opening hours: average number of per week
M.4 Transaction costs (direct) per unit

Note: In the next phase, it is intended to develop indicators of queuing times for personal callers; IT driven ticketing facilities will facilitate this.

E: Environmental Services

E1. Percentage of river channel which is:

(a) Unpolluted
(b) Slightly polluted
(c) Moderately polluted
(d) Seriously polluted

E.2 Percentage of drinking water samples in compliance with statutory requirements*

*based on a basket of 13 specified parameters set out in Table 4.1 of the EPA report – The quality of Drinking Water in Ireland.

E.3 Time, in minutes, to mobilise fire brigades in

(a) full time stations
(b) part time stations

E.4 Bring-Facilities

Category	Number of Facilities*	Number of locations per 5,000 of population
Glass		
Cans		
Textiles		
Batteries		
Oils		
Others		

*includes facilities provided by other than the local authority.

E.5 Litter

Number of Litter Wardens: full time; part time; and in total as a proportion of the population (e.g. 1:10,000)
Number of on-the spot fines
Number of prosecutions

P: Planning

Category	No. of applications determined	% determined within 8 weeks	Average time taken to determine	% of grants	% of refusals	% appealed	Results of appeals: % uphold the council's decision*	Results of appeals: % which reverse the council's decision
Individual Houses								
Housing								
Development								
Other: not requiring EIA								
Other: requiring EIA								

*with or without amendment

Rev: Revenue Collection

Rev.1 House Rent

(a) Amount collected at year end as a percentage of amount due
(b) Percentage of arrears:

  (i) 1-3 weeks old
  (ii) 4-6 weeks old
  (iii) more than 6 weeks old

Rev.2 House Repayments

(a) Amount collected at year end as a percentage of amount due
(b) Percentage of arrears:

  (i) 1 month old
  (ii) 2-3 months old
  (iii) more than 3 months old

Rev.3 Rates – Amount collected at year end as a percentage of amount due

C: Corporate Health

C.1 Percentage of working days lost to sickness absence

L: Library Services

L.1 Public opening hours – average number of hours per week in:
Towns of 5,000 people or more

L.2 Number of items issued per head of population (county / city wide) for:

(a) Books
(b) Other items

Appendix IV - Terms of Reference and Procedures

The terms of reference of the group, known as the 'Customer Service Group', were to:

(a) review progress in implementing the current set of national service indicators identified to local authorities in 2000

(b) consider the improvement/expansion of the existing national service indicators and improved reporting of performance against the indicators by local authorities, in the light of a) above and an objective analysis by the Institute of Public Administration (IPA)

(c) review of corporate planning guidelines

(d) consider the use of i) surveys, ii) customer consultation, and iii) complaints, appeals and redress systems; the current practice in local authorities; and recommend good practice for dissemination across the system

(e) consider and develop any other service improvement initiatives for local authorities

(f) present draft proposals for implementation across the system for the Minister's consideration, and

(g) circulate the proposals and guidelines to all local authorities for implementation.

The first phase of work of the Customer Service Group concerned the operation of national service indicators in local authorities. The mandate of the group was to review the existing set of national service indicators, suggest refinements that need to be made, and additional indicators that would be of use. The group was also asked to consider improved reporting of performance against the indicators by local authorities.

The first meeting of the group agreed that discussion on service indicators could be informed by an initial analysis by the Institute of Public Administration. This analysis to be based on:

- the operation of national service indicators in Irish local authorities to date
- in-house research on national service indicators already completed by the IPA
- a questionnaire circulated to all county and city councils on the operation, value and use of national service indicators to date in their local authority, seeking information on how they have worked in practice and examples of good practice
- data collated by the Department of the Environment, Heritage and Local Government on existing indicators based on annual reports and discussions with various divisions within the Department

- a short report from members of the group on how national service indicators have worked in their own local authority, their value to date, and how they have been used, based on discussions with their colleagues
- examples of good practice internationally.

Appendix V - Membership of the Customer Service Group

Joe Allen (Chair)	Department of the Environment, Heritage and Local Government
Tim Caffrey	Director of Service, Sligo County Council
Mark Callanan	Institute of Public Administration
Brian Kenny	Department of the Environment, Heritage and Local Government
Seamus Lyons	Executive Manager, Dublin City Council
John McCormack	Director of Service, Kilkenny County Council
Conn Murray	City Manager, Waterford City Council
Edmond O'Connor	County Manager, South Tipperary County Council
John Tierney	City Manager, Galway City Council

Appendix VI - A Brief History of Service Indicators in Local Government in Ireland

Better Local Government – A Programme for Change (1996) stated that local authorities would be asked to set service standards against indicators, and would be required to publish details of their progress against the standards. In 1999, the Local Government Audit Service published a set of potential indicators that could be used by local authorities across a range of services.

In 2000, Government stated that local authorities should develop customer service plans which could identify 'the levels and standards of service which customers can reasonably expect'. Guidelines on the preparation of corporate plans equally specified that local authorities 'should consider setting out the level and standard of service that a customer can expect in their dealings with the local authority'.

In May 2000, the Department of the Environment and Local Government published a list of 21 national service indicators for local authorities, by which local authorities could measure their performance, the results of which would be published in each local authority's annual report (Circular LG 9/00). The full list of the indicators published in 2000 is included in this report as Appendix III. The list of indicators was designed to allow elected members and the public to judge how their council was performing by comparison with other similar councils, and was also intended to be a spur to council managements to step up performance.

Section 134(6) of the Local Government Act, 2001, states that the corporate plan of each local authority shall include, amongst other things, the objectives and priorities of the local authority for each of its activities, the strategies for achieving these objectives, and the manner in which a local authority intends to assess its performance, taking into account relevant service indicators and the need to work towards best practice in service delivery. Section 134(11) of the same Act provides that a progress report on the corporate plan must be submitted to the elected members each year, and that details on this progress report must be recorded in the local authority's annual report.

The use of indicators in local government has also been underpinned by the provisions of recent social partnership agreements. The *Programme for Prosperity and Fairness* emphasised action/ business plans in local government, which would have a strong customer service focus, and amongst other things would incorporate a set of performance indicators. Sustaining Progress emphasises the need for local government to build upon existing changes, to ensure a continued focus on serving the customer better, and 'the management and measurement of performance, including the need to put in place quantitative and qualitative measurement

indicators to ensure that the changes agreed can be measured and achievement verified'.

The use of indicators in the local government service in Ireland is not new. Some of the first set of local authority strategy statements published in 1997 (such as Wicklow's) included performance indicators for each local government service. In other cases, such as Galway County, indicators were used to develop early service action plans. Since then, a number of other local authorities have adopted their own indicators to monitor service delivery. Besides the national set of indicators published in May 2000, benchmarking of local authorities is being applied in relation to many activities. For example, under each Operational Programme of the National Development Plan 2000-2006, performance indicators have been developed for individual measures to facilitate the deliberations of the OP Monitoring Committees, as well as the allocation of the EU's Performance Reserve in 2003 awarding extra financing to the 'most successful' programmes. Many of these indicators apply to local authority activities and services provided under the National Development Plan. In the housing service, a number of indicators have been suggested by the Housing Unit, which supports the management of the public and social housing sector. Indicators have been suggested for various aspects of the housing service, including repair and maintenance of occupied and vacant dwellings, tenant participation, and rent collection.

It should also be noted that recent reviews of the local government modernisation process have largely been positive, while at the same time highlighting areas where further progress could be made in the future. The Quality Assurance Group (QAG) for the local government sector, established under the *Programme for Prosperity and Fairness*, recorded that the 'entire local government sector was undergoing significant and continuing change and that in doing so it had commenced to embrace leading management practice and technological innovation … An important spirit of confidence now appears to pervade the sector but a final verdict must await the coming years to see if the capacity now created can deliver the desired results'. Similarly, a review carried out for the Committee for Public Management Research (CPMR) found that after examining the different actions undertaken by local authorities in recent years 'significant progress has been made in implementing the local government modernisation programme', while noting that the steps taken thus far provide the foundations for further improvements.

Appendix VII - Use of Local Government Indicators in Different Countries: Selected Case Studies

BRITAIN

Britain has a comparatively long tradition of performance measurement in local government, dating back to the days of the Citizen's Charter in the early 1990s, when local authorities were obliged to publish information on the levels of service that citizens could expect from them (Maloney, 1999, p. 281; Adamaschek and Banner, 1997, p. 201). Since 1995, local authorities in Britain have been statutorily obliged to publish information on indicators. The process of local government reporting on indicators in Britain has been very much centrally-driven, and has been a political priority of both Conservative and Labour governments.

The Labour Government which came to power in 1997 effectively continued the system of obliging local authorities to publish indicators under a system known as *Best Value*. *Best Value* is aimed at continuous improvement in local government services. This is to be carried out through the adoption by local authorities of annual Best Value Performance Plans which set service targets for improvement, and a rolling programme of service-specific and cross-cutting reviews which, amongst other things, involve comparing the local authority's performance with that of similar authorities by reference to national and local indicators (Wilson and Game, 2002, p. 339; Martin, 2000, pp. 210-213).

Best Value thus involves the reporting of both nationally and locally-determined indicators, and review by external inspectorates, designed to promote improvements in services by challenging existing delivery, comparing performance with authorities that are doing well, and demonstrating that services are competitive (IDeA and Audit Commission, 2002, p. 7). Before introducing *Best Value* nationally, forty local authorities were selected to implement the new scheme on a pilot basis during the 1998-2000 period. A comprehensive evaluation of the pilot programme, completed in 2001, concluded that some of the significant changes that had occurred included "service improvements, more demanding service quality targets, a slightly better performance in relation to resident and user satisfaction … and some examples of cost savings" (Davis and Martin, 2002, p. 65). The evaluation also noted that the process typically sparked an improvement in service standards, which would involve both one-off short-term improvements, and longer-term and more fundamental changes (Davis and Martin, 2002, p. 67). However, it would also appear that the process is rather resource intensive in terms of staff time and has been criticised as bureaucratic (Boyne et al, 2001, pp. 53-54; Dollard, 2002, p. 25).

Since 2000, Best Value Performance Indicators (BVPIs) have been established at national level covering key local government services. For 2000/2001, 192 indicators were identified for reporting by most categories of local authority. For 2003/04, a

total of 98 BVPIs were identified by central government for reporting by local authorities in England[1] (ODPM, 2003, p. 9). In addition to reporting on these mandatory indicators, local authorities are also encouraged to develop their own local indicators to reflect local priorities and local circumstances (Boyle, 2000, p. 23). There has also been a reported reduction in recent years in the number of local indicators used by local authorities so that a focus can be maintained on priorities (IDeA and Audit Commission, p. 21).

More recently, the system of utilising indicators on their own has given way to a new system known as *Comprehensive Performance Assessment* (or CPA), the first results of which were published for certain English local authorities in late 2002. Under this arrangement, various mechanisms such as external peer assessment, self-assessment, Audit Commission inspections, and Government assessment of published plans of the local authority, are combined with the use of indicators to produce a consolidated picture of the overall performance of each local authority.

The basis for the assessment are the following elements (Audit Commission, 2002, p. 2):

- Assessment of current performance on key services such as social care, environment, libraries and leisure, education, and housing – each service is given a score of 1 to 4, which is based on inspections carried out by the Audit Commission, auditor judgements, performance indicators, and Government assessment of the local authority's service plans;
- Assessment of overall service provision – the service assessments carried out above are then combined to provide an overall assessment on council services (education and social care are given a higher weighting than other services in reaching this assessment);
- Assessment of ability to improve – an assessment is also made on the local authority's ability to improve services for local people and to provide leadership for its community, which is based on a self-assessment of the council itself, followed by an external assessment identifying strengths and weaknesses carried out by a small team made up of an auditor, inspector, and a number of officials and councillors from "peer" councils.

Based on the scores attained for key local authority services, a score for overall service provision, and a score for the local authority's ability to improve, each council was placed in one of five categories:

1 The Scottish Parliament and Welsh Assembly are responsible for identifying indicators for local authorities in their respective jurisdictions.

- Excellent;
- Good;
- Fair;
- Weak; or
- Poor

Those councils which were ranked as 'excellent' (14.6% of the total) will earn the right to extra freedoms from central government. These include the removal of ring-fencing from central government grants, and a three-year respite from inspections (*Local Government Chronicle*, 6.12.02, p. 9).

The first results under the CPA system were unveiled for English county councils and single tier authorities (metropolitan and unitary councils, as well as London boroughs) in late 2002. However, many authorities disputed the weightings given to different parts of the assessment, found the process lacking in transparency, and believed the use of labels like "poor" or "weak" were oversimplistic as a summary of a local authority's overall performance, and were likely to damage morale in the local authorities concerned (*Local Government Chronicle*, 20.12.02, pp. 6-8). During 2003-2004, a similar exercise will be performed for district councils in England, although it is expected that the system will be adapted somewhat in the light of experience thus far.

Welsh and Scottish local authorities are not subject to CPA, but rather operate under a system largely based on self-assessment, similar to that provided for under *Best Value*.

UNITED STATES

Performance measurement in local government in the United States can be traced back to 1938, when a number of suggested criteria for measuring municipal activities were first published (Kopczynski and Lombardo, 1999, p. 125). A combination of budgetary pressures, taxpayer revolts, devolution of functions to local authorities, and a growing experimentation with business-like tools in public sector management led to a renewed interest in benchmarking and performance measurement in local government in the US in the 1990s (Poister and Streib, 1999, p. 326). Prominent examples of US cities that have long made use of performance measures in their budgeting process include Phoenix, Arizona and Charlotte, North Carolina.

A number of projects have developed to facilitate comparisons between the quality of services delivered by different local authorities. These included the ICMA

(International City Management Association) Comparative Performance Measurement Consortium, the Innovations Groups Project, and the North Carolina Local Government Performance Measurement Project. Pilot projects are underway for local authorities of between 50,000 to 100,000 people in California and Texas, and between 10,000 and 50,000 in New York state.

The ICMA project involved a number of US cities with a population above 200,000 people, and was designed to allow participating cities compare performance and share information on management practices that have led to positive outcomes in four service areas (Kopczynski and Lombardo, 1999, p. 126). The four service areas included police services, fire services, neighbourhood services (such as road maintenance, refuse collection, street lighting, housing, parks and recreation and libraries) and support services (purchasing, fleet management, risk management, IT and HR). Requests are sent to high performing cities "asking them to identify any local practice that they believe might be associated with their high level of achievement" (Kopczynski and Lombardo, 1999, p. 128).

One of the difficulties faced by local authorities in the US is the different range of responsibilities and structures of local government across the country, making direct comparisons difficult. In addition, differences in how data is collected and reported add to the difficulties, and the ICMA project spent a lot of time drawing up uniform definitions so as to produce comparable data from different local authorities (Kopczynski and Lombardo, 1999, p. 131). It was felt that measurements based on 'common understandings' could lead to underlying discrepancies in the rules and interpretations used to collect data, which may undermine the usefulness of the indicators (Ammons et al., 2001, p. 106).

In a survey of all US municipalities with populations above 25,000, some 38% responded that they made use of performance indicators, either across the board for all services, or for specific services and departments. Respondents reported that the main motivating factor in using performance indicators for local authorities was a local objective of making better management decisions. This was followed by citizen demands for greater accountability, and pressure from elected members. Of far less importance as a motivating factor for US local authorities was pressure from business or higher levels of government (Poister and Streib, 1999, p. 328).

Of those municipalities that use performance measurement for all services, over 70% felt that their use of indicators has led to moderate or substantial improvements in service quality, while 46% reported that they have contributed to moderate or

substantial reductions in the cost of local authority activities (Poister and Streib, 1999, p. 331).

A separate survey of local authorities of a population of above 50,000 people showed that 57% of local authorities felt that performance measurement had enabled managers to better identify managerial or operational problems, while in others, indicators were not used as a problem identifier, with one local authority admitting that indicators were "mainly used as a window dressing tool to demonstrate good results, not as a proactive problem identifier" (Wang, 2002, p. 34). However, the majority of local authorities did not use performance measurement as a basis for resource decision-making in areas such as budgets, organisational restructuring or redeployment of staff (ibid, pp. 35-37). The following comment received from one American local authority sums up the dilemma concerning the use of indicators as a basis for decisions on financing:

"If a department is very effective and has great measure results, do you reward them financially or punish them by reducing their budget? Do you give them more money when they are already delivering excellent outcomes and meeting goals? If a department has poor measure results, does it make sense to reduce their budget with the likely results that services will further deteriorate? Or do you reward them for doing poor work by giving them more money?" (quoted in Wang, 2002, p. 36).

Another feature in the US seems to have been high expectations amongst local authorities as to what indicators could deliver for their local authority, including significant and automatic improvements in services, making wiser budget decisions, strengthened communication with the politicians and the public – in most cases however, the actual results fell somewhat short of these expectations (Ammons et al., 2001, pp. 103-105).

CONTINENTAL EUROPE

Although something of a generalisation, many would agree with the view of one commentator that public service reforms such as a renewed emphasis on quality services, contracting out, generating competition in public service provision, consumer choice, and measuring performance, has been more prevalent in Britain than any other Western European country, and that many other European countries have been slower or more cautious in adopting such reforms (John, 2001).

That said, there are some examples where local authorities in different European countries have experimented with measuring the quality of services and using indicators. In contrast to the UK, a common feature in many European countries,

and indeed in the US, seems to be that many initiatives to improve service delivery seem to come from local authorities themselves, rather than being driven by central government. The number of indicators would appear to be far fewer than in the UK, and the inspection regime would appear to be far 'lighter'.

In the *Netherlands*, a number of local authorities have been making extensive use of indicators. One of the most frequently cited is Tilburg, with one estimate that some 95% of its budget is accompanied by performance figures (Haselbekke, 1995, p. 36). Other Dutch municipalities such as Delft and Groningen have also introduced similar reforms (Hendricks and Tops, 2003, p. 308).

The Tilburg approach, originally introduced in 1985, involved reorganisation of local government structures, decentralisation of responsibilities to service departments, and regular management reporting and budget reporting. Departmental budgets incorporated business plans, which in turn contained performance objectives, the actions needed to meet those objectives, and the required income and expenditure. Performance data was presented for almost every task the local authority had to fulfil. In general, the changes involved "a stronger emphasis on 'measurable policy goals'. Objectives had to be formulated in quantifiable parameters, and not just in the budgetary process" (Hendriks and Tops, 2003, p. 310).

During the early 1990s, central government in the Netherlands encouraged municipalities to adopt a number of businesslike tools, under an initiative that became known as *Beleids- en Beheers Instrumentarium* or Policy and Management Instruments (PMI) (Van Helden, and Jansen, 2003, p. 71). This included output budgeting, under which budget figures are linked to performance indicators. However, the take-up and use of indicators has not been universal across the Netherlands (Van Helden, and Jansen, 2003, pp. 73-74).

The approach adopted in Tilburg was influential in a number of other countries, and was adopted, with some alterations, by a number of local authorities in *Germany*. During the 1990s, a number of German municipalities adopted new management approaches often grouped under the umbrella of *Neues Steuerungsmodell*, or New Steering Model (NSM). Amongst the reforms introduced by some German local authorities was an output-oriented budget and a comprehensive reporting system based on performance indicators. Local managers developed more comprehensive systems for monitoring and evaluating the costs and performance of different units (Reichard, 2003, pp. 352-353). A common set of indicators which would allow German local authorities to benchmark their performance against each other was

developed during a project sponsored by the Bertelsmann Foundation (Adamaschek and Banner, 1997, pp. 192-199).

Adoption of such techniques was entirely voluntary and up to the initiative of local authorities themselves - there was no pressure from the state or federal level to introduce the new reforms. If anything, local authorities led the way in Germany, pioneering new techniques of public management that set a trend for the more modest reforms adopted by government at state and federal level (Reichard, 2003, p. 350 and p. 361). This was also the case in the Netherlands, where local authorities were reported to have achieved better results in performance measurement than central government (Haselbekke, 1995, p. 38).

In *Denmark*, a number of performance improvement initiatives have also been undertaken. The OECD reports that many of the Danish initiatives to improve performance are developed at local level, without central monitoring or control. These have included management by objectives and results, the establishment of service standards, and the use of customer satisfaction surveys, rather than formal performance indicators (OECD, 1997, p. 148; Lidström, 2001, p. 356).

However, central government in Denmark does publish a report entitled *Local Authority Key Data*, containing figures on population, housing labour market conditions, taxation, economy, childcare, education and culture, care for the elderly, other local authority social expenditure, and the environment – the figures are presented with the average figures for municipalities in their region and for all municipalities. However, differences in the extent and quality of services reflect the varying needs, wishes and demands of local communities, given the responsibility of Danish municipalities for levying local taxes to pay for the bulk of local services. Other nation-wide reports on service standards between local authorities tend to be used "as a benchmark and a starting point for local decisions, rather than a judgement on relative levels of performance" (OECD, 1997, p. 148; John, 2001, p. 105).

In a commentary on the take-up of the European Common Assessment Framework or CAF (see below), one observation has been that "at least on the continent there seems to be wide agreement that public administration is not just about 'delivering results' but also about nurturing values such as staff diversity, ethical behaviour, and social capital" (Löffler, 2002, p. 237).

THE EFQM EXCELLENCE MODEL AND THE EUROPEAN COMMON ASSESSMENT FRAMEWORK (CAF)

In 1996, the European Foundation for Quality Management (EFQM) adopted the Excellence Model, which was then further refined in 1999. The 1999 model places an emphasis on performance results, processes, leadership, and innovation and learning, and utilises a number of performance criteria. The model is intended to apply to public bodies, private businesses, and non-governmental organisations alike, although a public and voluntary sector version of the model has been published. The Excellence Model can respect and subsume existing work being undertaken within organisations, including the use of indicators (Humphreys et al., 2001, pp. 25-26).

The Common Assessment Framework (CAF) is designed to be an aid to public administration and has been described as a "lean European Excellence Model" by one commentator (Löffler, 2002, p. 235), and "very much a 'light' framework" by another (Humphreys et al., 2001, p. 28). The CAF is similar in approach to the EFQM, and is an EU-driven initiative which provides an opportunity for benchmarking between organisations across the EU. CAF revolves around nine separate criteria:

- Leadership
- Policy and strategy
- Human resource management
- External partnerships and resources
- Process and change management
- Customer / citizen-oriented results
- People (employee) results
- Impact on society
- Key performance results

A scoring system is used to give score of 1 (no action / no results measured) to 5 (a permanent quality improvement cycle is in place / results are consistently achieved at the highest level) for each of the nine criteria.

A representative team of employees are chosen to carry out a self-assessment of their organisation, and must be able to explain and justify their conclusions to external assessors by reference to evidence, whether that be actual structures, activities or results achieved by their organisation. The CAF also provides examples of indicators that organisations may use to assist in their self-assessment (Engel, 2002, p. 36).

EU Member States have begun promoting the use of the CAF across or in parts of their public sector, or have been promoting the use of the EFQM Excellence Model, on which the CAF is based. The CAF has also been integrated in to several national level quality and innovation awards (Engel, 2002, p. 37).

One observer in 2002 noted that "even though the CAF developers stress that the CAF may be used by all kinds of public organisations, it has mostly appealed to public organisations involved in service delivery. Indeed, local authorities form the largest group of CAF users so far. This is not surprising given its strong similarity to the EFQM Excellence model which is aimed strongly at assessing the quality of services. Indeed, public organisations involved in regulatory activities or policy-making will find it hard to map their processes as a linear production function" (Löffler, 2002, p. 237). Engel (2002, p. 37) also notes that "in practice, the CAF seems to be of particular relevance for local authorities as a starting tool".

THE QUALITY CUSTOMER SERVICE OR QCS MARK FOR THE IRISH PUBLIC SERVICE

In Ireland, a QCS Initiative was launched in 1997 to promote the adoption of improved customer service standards in central government departments and offices. This involved the adoption of two-year customer action plans which would set out standards that could be expected, provisions on timeliness, courtesy, consultation, complaints, redress and access to services. However, reviews of such plans revealed significant variation in the specification of standards, arrangements for complaint and redress, and the clarity and simplicity of language used (Humphreys et al., 2001, pp. 45-47).

A QCS Working Group was convened in 1999 to examine progress since 1997, and recommended a number of revisions, including the incorporation of new principles in quality customer service, such as equality/ diversity (and giving due place to issues such as non-discrimination, equality and social inclusion), a commitment to offering services through the Irish language, and support (training and resources) to staff to improve customer service.

A proposal for a QCS Mark was made in 2001 (Humphreys et al., 2001, pp. 76-93), which could be designed to promote healthy competition within and between public sector organisations, and recognise champions of quality customer service. The initiative is aimed at all public service organisations, including local authorities. The proposal for a QCS Mark would also assist organisations in attaining internationally-recognised frameworks such as the EFQM. The QCS system proposed would be based on independent assessment of organisations. Each

organisation would be given a score out of 10 for proven achievement under the following criteria:

- Quality standards
- Equality / diversity
- Physical access
- Provision of information
- Timeliness and courtesy
- Complaints
- Appeals and redress on complaints
- Consultation and evaluation
- Choice
- Official languages equality
- Coordination of service delivery
- Involvement of staff
- Leadership
- Strategy and planning
- Investment in people

On the basis of the composite scores, organisations could be ranked as gold (proven excellence in QCS), silver (proven achievement in QCS) or bronze (proven commitment to QCS), or fail to achieve a ranking.

In the proposal for a QCS Mark, the importance of designing and developing customer service based on customer needs and expectations, setting documented service standards and achieving customer satisfaction, and evaluation and continuous improvement to customer service are highlighted (Humphreys et al., 2001, pp. 72-73).

Indeed, one finding noted in the context of the proposed QCS Mark and customer service in the public sector in Ireland was that "there is evidence of considerable innovation at local rather than central government level", noting that "central departments need to be open to bottom-up as well as top-down communication of best practice in QCS" (Humphreys et al, 2001, pp. 50-51). Similarly, Keogan (2003, pp. 92-93) argues that "one of the areas where local authorities perform well is in their focus on the citizen and on their clients. Local authorities have always been superior to their civil service cousins at recognising the importance of their clients, and especially the citizen, in their corporate planning. This may be explained by the

fact that policy and decision making takes place much closer to the level of delivery, and therefore the citizen, in local government than it does in central government departments and offices."

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Appendix VIII - Useful Websites for Local Indicators

http://www.environ.ie

(Go to "publications list" – The Local Government Audit Service have published a number of Value For Money (VFM) reports, some of which suggest a number of indicators and targets that could be adopted. In particular, these include VFM report No. 17 on Performance Indicators (suggesting possible indicators across a range of services, and providing a summary of recommended indicators in earlier VFM reports), VFM report No. 19 on Machinery Yards, and VFM report No. 22 on Motor Taxation [*e.g. suggest machinery yard indicators are not of real interest to the public, but could be of internal interest/ use*])

http://www.local-pi-library.gov.uk/

(Library of voluntary local indicators for a range of local government services in the UK)

http://www.audit-commission.gov.uk

(Audit Commission suite of voluntary "Quality of Life" Indicators covering the broad areas of economic, social and environmental well-being)

http://www.epa.ie

(Go to "publications" – The Environmental Protection Agency (EPA) has published a set of 50 key environmental indicators in its publication *Environment in Focus 2002: Key Environmental Indicators for Ireland*)

http://www.housingunit.ie

(The Housing Unit's series of Good Practice Guidelines contain a number of suggested indicators relevant to the housing service)

http://www.sustainable-cities.org/indicators/
http://www.sustainable-cities.org/sub12a.html

(EU-wide set of local sustainable development indicators reflecting linkages between environmental, social and economic issues)

http://www.comhar-nsdp.ie/

(The National Sustainable Development Partnership (*Comhar)* document *Principles for Sustainable Development* (2002) gives an Irish perspective on sustainable development)

http://www.europa.eu.int/comm/regional_policy/urban2/urban/audit/src/intro.html

(EU-wide pilot project to develop a set of local city-based indicators to benchmark quality of life across 58 European cities, including Dublin and Cork)